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THURSDAY, JANUARY 24, 1952

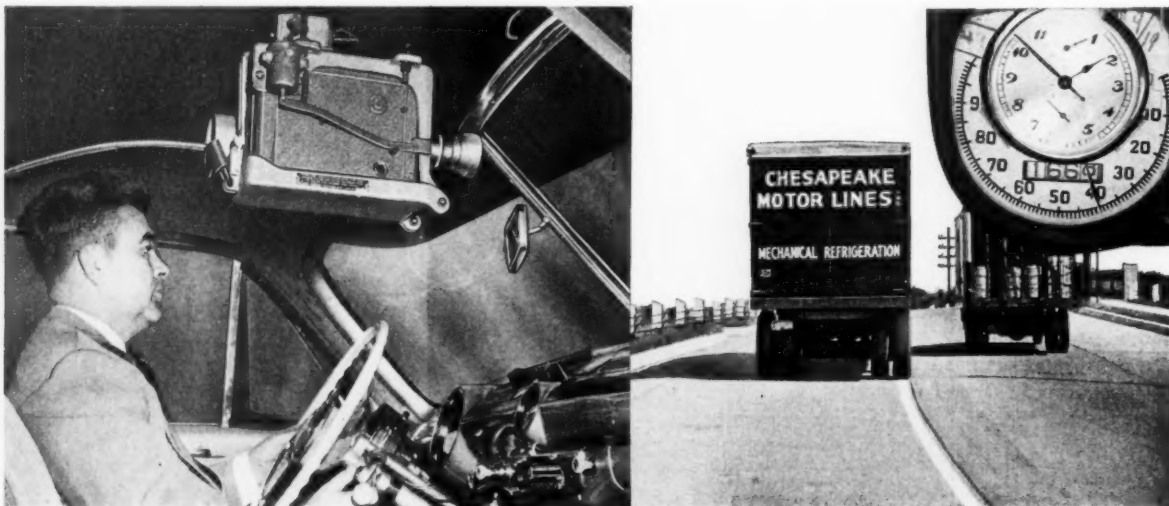
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Exclusive Underwriters for the American Fidelity & Casualty Company, Inc.,
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Great Strength Shown in America Fore Results

Baleful Casualty Showing Is Balanced by Construc- tive Factors Elsewhere

Annual statements of the condition of the companies of the America Fore group have now been released by President Frank A. Christensen. As usual these statements made their appearance early in the year and are studied with unusual interest for suggestions on how the business as a whole did in the previous year.

Assets of Continental increased from \$251,141,881 to \$269,897,632; Fidelity-Phenix from \$212,560,857 to \$234,551,324; Niagara Fire from \$64,657,682 to \$72,763,850; American Eagle from \$53,788,029 to \$61,376,559; and Fidelity & Casualty from \$144,123,753 to \$162,206,881.

Statutory underwriting profits of \$3,635,333 for Continental; \$2,919,670 for Fidelity-Phenix; \$581,474 for Niagara; \$1,256,615 for American Eagle, were reported. Fidelity & Casualty reported \$12,493,622 statutory underwriting loss.

Surpluses for the protection of policyholders were: Continental \$185,195,865; Fidelity-Phenix \$166,290,748; Niagara \$45,797,555; American Eagle \$38,452,018; Fidelity & Casualty \$56,646,944.

The group paid out more than 15 million in federal, state and local taxes.

Fidelity-Phenix had premiums written of \$55,431,294, premiums earned \$52,846,887, losses incurred to premiums earned \$4.12, expenses incurred to premiums written 38.47, underwriting gain \$2,892,053 which was virtually the same as the previous year. The net investment income earned per share was \$3.42 and the net earnings per share before federal taxes were \$4.85 and after such taxes \$3.77. The capital and surplus per share was \$83.15 as against \$71.95 the previous year.

Distribution of Investments

Common stocks comprise 39.03% of assets, stocks of affiliated companies 29.95%, bonds 22.65, receivables 2.62, preferred stocks 2.17, cash 2.05, real estate .05 and all other assets 1.48.

The premiums written of Fidelity & Casualty were \$81,363,630, premiums earned \$74,515,820, losses incurred \$56,443,463, expenses incurred \$30,565,979, underwriting loss \$12,497,441. The net investment income earned was \$5,016,736 and there was an increase in market value of stocks and bonds net of \$7,402,769.

Mr. Christensen in his message to stockholders said that arising from the November, 1950 storm the America Fore companies received over 90,000 claims aggregating \$13 million. He remarked that during 1951 the rate regulatory authorities of several state approved increases in rates for windstorm insurance. These were designed to produce increased premium income which will offset in part the unfavorable windstorm experience of recent years. Marine insurance results were less favorable due to an unusual number of maritime disasters and increasing costs of claims for injuries to crew and longshoremen. However, there was a profit on the year's

Installment Plan Barrier Removed in New England

New England Fire Insurance Rating Assn. effective Jan. 22 has abrogated its rule which barred the use of installment payment plans for fire insurance. Even before doing this however, N.E.F.I.R.A. had filed installment plans in a number of New England states. New Hampshire Board of Underwriters still retains its anti-installment plan rule.

The installment plan has had a complicated history in Massachusetts but it is likely that the way will quickly be cleared now for its use by all companies in the state. The mutual companies have a special problem in this connection, however, because of a decision of the Massachusetts supreme court holding that the installment plan constitutes extension of credit and this is not permitted to a mutual company. However, a re-hearing was granted and also there is pending a bill giving mutual insurers specific authority to extend credit.

Honor Laughlin at Omaha

More than 50 insurance company officers and agency directors honored Nebraska's new commissioner, Loren Laughlin, at a dinner at Omaha. Conn W. Moose, former commissioner, now general agent for American National at Omaha, introduced Mr. Laughlin.

The annual banquet of Camden County (N. J.) Insurance Agents Assn. has been scheduled at Camden Feb. 7.

operations. The other classes of insurance generally written by fire insurance companies were profitable but at narrow margin.

The results for 1951 in the casualty field were the most unsatisfactory in many years. Even increased rates will probably prove inadequate to meet increased claims unless there is a considerable improvement in claim frequency and the size of awards and verdicts in the automobile classes. Beyond a certain point, increased rates are not a solution. There must be better control of driving conditions including policing. There must be expanded highway safety facilities and greater accident consciousness on the part of operators and public officials.

Continental Figures Analyzed

Capital and surplus value per share of Continental was \$74.08 as against \$66.53 the previous year. Premiums written were \$67,801,740, premiums earned \$63,933,526, losses incurred to premiums earned 52.85, expenses incurred to premiums written 39.10, underwriting gain \$3,605,670, net investment income earned per share \$3.40, net earnings per share before federal taxes \$4.79 and after federal taxes \$3.64.

The losses incurred including loss adjustment expenses to premiums written was 49.84 as against 52.47 in 1950, and the ratio to premiums earned was 52.85 as against 52.89 the previous year. The percentage ratio of expenses not including taxes incurred was 36.41 of premiums written. This consisted of 24.45%, expenses chargeable to commissions as against 25.54 the previous year and 11.96% to all other expenses as against 11.49. Including taxes other than federal income and excess profits taxes, the percentage ratio of total expenses incurred was 39.10% to premiums written. 41.46% to premiums earned.

The federal state and local taxes incurred were \$4,712,965 or \$1.89 per share.

St. Paul F. & M. Surplus Higher By \$4.3 Million

St. Paul Fire & Marine was able to produce an increase in surplus in 1951 of better than \$4 million, the annual statement reveals. The surplus to policyholders is \$60,717,721 (capital \$20 million) which compares with \$56,376,900 the previous year.

The assets were \$117,491,924 and premium reserve \$38,274,790. Premiums totaled \$49,615,081, increase \$3,876,278; the premium reserve was higher by \$2,703,239. There was an underwriting profit of \$3,330,917.

St. Paul-Mercury Indemnity had a decrease in surplus of \$1,548,885, the new surplus to policyholders figure being \$11,056,712. Assets were \$56,034,352, premium reserve \$18,064,487, loss reserve \$24,694,642.

Net premiums were \$34,890,952, increase \$5,166,786; premium reserve was higher by \$2,911,329.

Auto Losses Heavy in Cal. Deluge

LOS ANGELES—Rainfall in Los Angeles for the season to date totaling 17.22 inches, as against a normal for the entire season of 15.23 inches, carried with it damages that run into eight figures, and a mass of claims for insurers.

Heaviest loss will fall on automobile insurers. Substantial personal property floater claims also are anticipated.

Principal damage was due to flood waters in low lying sections adjoining unincorporated districts of the county and in adjoining counties that caught the full force of the deluge. The rains caused hillsides to give way, carrying with the slides houses and other buildings, while the run off flooded low sections, with as much as eight feet of water in homes and business houses.

Some 500,000 automobiles were affected in some measure by the storms. Approximately 10,000 in southern California are declared to be total losses. Damage to others runs from a towing job to complete overhaul.

A well founded guess on the extent of PPF losses is not yet possible. In the San Fernando Valley sector the affected homes are of the more elaborate type and here the loss may be substantial.

Whether damage to homes is covered under the new additional extended coverage is open to question. Already differences of opinion have come to the front in the case of a residence at Oakland, which slid down the hill when heavy rains caused the hill to give way. The case now is the subject of legal conferences, with the probability litigation may arise.

New Farm Schedules Are Effective in Tenn. and Okla.

New farm schedules became effective Monday of this week in Tennessee and Oklahoma. In the latter state there was a modification of the five-year installment note plan rate and there was introduced the two new premium payment plans which are now general in the middlewest for recording business.

In Tennessee the two new premium payment plans had already been introduced and at this time there is a modification of the five-year installment note plan rate. Also in Tennessee the charge for tenant occupancy is eliminated.

Fire Losses in 1951 at Record High of \$731 Million

Exceeds 1948 Mark by \$20 Million — December Total Is \$68 Million

Estimated fire losses in December of \$68,206,000 brought the total fire losses for the year—1951 to \$731,405,000, according to the National Board. This is a record high exceeding the previous mark of \$711,114,000 set in 1948.

In 1942, total fire losses were \$314,849,000, and every year since there has been an increase with the exception only of 1949. The loss statistics are based on estimates of incurred losses of Board member companies and include an allowance for unreported and uninsured losses.

For the past 10 years, losses have been:

1942	\$314,849,000
1943	330,235,000
1944	423,538,000
1945	455,329,000
1946	561,487,000
1947	692,635,000
1948	711,114,000
1949	667,536,000
1950	638,460,000
1951	731,405,000

The December loss total was an increase of 2% over the losses of December, 1950, and was 13.5% higher than losses in November. By months, in 1951 and the two preceding years, losses were:

	1951	1950	1949
Jan.	68,686,000	58,823,000	57,926,000
Feb.	69,136,000	63,340,000	63,424,000
March	71,507,000	72,468,000	67,218,000
April	62,965,000	61,605,000	55,290,000
May	58,744,000	58,765,000	54,162,000
June	56,403,000	57,116,000	51,787,000
July	52,220,000	52,980,000	49,592,000
Aug.	55,416,000	49,878,000	50,150,000
Sept.	53,398,000	45,922,000	49,678,000
Oct.	54,660,000	49,953,000	48,914,000
Nov.	60,064,000	55,790,000	53,116,000
Dec.	68,206,000	66,820,000	67,279,000
Totals..	731,405,000	688,460,000	667,536,000

Truman Repeats Plea for Federal Flood "Insurance"

President Truman in his budget message repeated the recommendation that he made last summer to set up a system of federal flood insurance and to start it off with a fund of \$50 million. Such disasters as the Kansas and Missouri floods of last summer "happen rarely," the President declared, and he said "we should be better prepared for them than we are at the present time." Property owners should have an opportunity to purchase financial protection against this hazard, he declared. The private insurance facilities in this connection are extremely limited, he said.

Insurer Violates Salary Rule

NEW YORK—An insurance company with more than 1,000 employees was one of 267 business units that violates wage and salary controls in the New York area, according to the wage board's regional office here. The identity of the company was not disclosed pending further investigation.

Lorimer W. Midgett, who operates a mutual agency at Elizabeth City, N. C., has been nominated by five chambers of commerce for director of the U. S. Chamber of Commerce.

Prospects for War Damage Legislation Believed Brighter

President's Message, Life Men's Conference with Frear Group Encouraging

WASHINGTON—Prospects for war damage legislation are looking up, in the opinion of some insurance observers, in view of a recommendation of legislation on the subject in the President's budget message, the recent conference of life insurance representatives with the Frear subcommittee of the Senate banking committee, and other developments.

The life group, while not recommending legislation at this time, urged that (1) any legislation should be of emergency character, (2) the President

should have authority to deal with emergency needs, (3) any moratorium provision should apply to all financial obligations.

They also indicated opposition to the budget bureau's bill's provision for an inventory of property and to limiting property indemnification to \$5,000.

In his budget message the President said:

"I urged Congress to consider legislation to compensate individuals and business firms for property damage arising from enemy attack. In an atomic age, the probability of such an attack is so unpredictable and the expenditures necessary to provide a minimum level of protection are potentially so large that neither private nor public insurance is feasible. Nevertheless, orderly advance planning is essential."

He referred to the draft of legislation submitted by the budget bureau and said "The appropriate agencies of the government are continuing to review and improve these proposals."

Report on Frear Conference

A release reviewing the conference with the Frear committee was issued from the offices of Robert L. Hogg and Eugene Thoré, representing A.L.C. and L.I.A., respectively. It said in part:

"The life insurance men emphasized

E. U. A. Samples Views of Varied Leaders on U. & O. Modernization

Eastern Underwriters Assn. is questioning company executives, agents, adjusters, teachers, C.P.C.U. groups, field men and others as part of its research into business interruption insurance. The aim is to find ways and means of improving existing forms and increasing their sale.

The questionnaire asks: Which form is easiest to explain to the customer? Why? Would a single form embracing manufacturing and mercantile coverages be salable? Why? Should the coverage be divided into two items with optional amounts for net profits—fixed charges? If so, what advantages would be gained? For mercantile risks, should the coverage be added as an item in the physical damage policy form covering building, stock, furniture and fixtures? Give reasons.

In your opinion, is it easier to sell business interruption to a manufacturing customer or a mercantile customer?

Why? How should the basis of insurance be determined for mercantile risks—on an estimated six-months total loss expectancy or on an estimated twelve-months loss expectancy? Why? Should payroll be included—ordinary, executive, management, department head? Why? What are the principal deterrents to the sale of business interruption insurance? A list of such is wanted in the order of their relative importance. Also those questioned are asked for suggestions for increasing the sale possibilities of this class, setting forth specifically recommended changes and the reasons.

Loss Executives Pick Cunningham

Loss Executives Conference has elected Ward Cunningham of Chubb & Son, president, succeeding Fred J. Collins of Firemen's.

Also elected at the January dinner meeting were Flay F. White, National of Hartford, vice-president; Thomas P. Finnegan, Corroon & Reynolds, secretary; Ferdinand W. Gambickler, Norwich Union, assistant secretary; G. Everett Geerken, American, treasurer.

The executive committee consists of Robert R. Thompson, North British; Roger B. Bagley, Travelers, and Mr. Collins.

Auto Dealer Rates and Cover on Coast Overhauled

A broad revision of auto dealers rates and forms became effective in California Jan. 21 retroactive to Dec. 1. Similar revisions will be made soon in the other coast states and Alaska. This comes after two years of study in the interest of modernization and national uniformity.

There are reductions in the fire rates for open lots and in transit.

Newly adopted are fire rates—private dwelling garages; standard and non-standard open lots; blanket theft rates; option to use either the average rate of several locations or the specific rate for each location. Also forms Nos. 2 and 3 have been completely revised and are identified under new captions as form B and form A respectively.

There is a revision of the theft rates except blanket coverage.

The average rating formulae have been revised to conform with the long standing system in the rest of the country. Thus it will no longer be necessary to include "elsewhere" locations in the average rate nor include the theft coverage in the formulae. This will simplify applications and procedures.

McFalls Renominated

David S. McFalls, president of the R. B. McFalls & Son agency, has been renominated for president of Assn. of Local Agents of New York City. The annual meeting is Jan. 29. Russell Edgett, president of Thomas J. Hogan, Inc., was renominated as vice-president, and Alex Gosz of the Gosz agency, as secretary-treasurer.

C.P.C.U.'s Elect Lampe

District of Columbia C.P.C.U. chapter elected the following officers:

President, A. E. Lampe, manager, American Foreign; vice-president, Eugene D. Fields, Aetna Casualty; secretary, Julius B. Seaman, contract insurance branch, U. S. Army; treasurer, Ingolf H. E. Otto, professor of business administration, George Washington University.

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FIRE AUTOMOBILE INLAND MARINE



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that they are not urging the enactment of legislation at this time, but wish to point out certain aspects of S. 1848 which they felt to be undesirable if any such legislation were to be enacted.

"The life insurance people stressed the advisability in any legislation of this kind to have it restricted to emergency needs. This position was taken because it was felt that it is not practical to anticipate the consequences of widespread war devastation.

"The point was further made that in dealing with wide-spread devastation, the President should have, if he does not already have, ample authority to deal with emergency needs.

"Pointing to the fact that the bill presently authorizes declaration of a moratorium for insurance companies' payments only, the life insurance representatives stressed the point that any such authority should be universal in its application to all financial obligations.

Property Damage Angle

"With respect to the section of the bill dealing with property damage, the life insurance representatives indicated doubt whether any such long-range program should be enacted now, but that, if a program is to be enacted, there is a difference of opinion in the life insurance business whether the approach should be that of general indemnification by the government as now contemplated by the bill, or whether it should involve the principle of the War Damage Corp. set-up of World War II. They pointed out, however, that the provision for establishing by the government of immediate complete records of cost, values and ownership of all properties in the United States would involve a fantastic amount of labor and expense, and the results might prove of doubtful usefulness even if a disaster should occur. They also felt that the provisions of the bill which limit the property indemnification to an amount not to exceed \$5,000 would unfairly discriminate against properties valued in excess of such limit."

Feel Something Accomplished

It was felt that the conference accomplished something in outlining the position of life insurance regarding war damage legislation. Committee sources indicated some items the life people mentioned could be left out of the legislation, or modified; others left in.

The general reaction was reported to be against the so-called property inventory provision, which is regarded as too broad in scope and which might give rise to "boondoggling."

Committee sources indicated it was not intended under the bill to undertake an original inventory of property values, etc., and that it would be possible to limit its scope. Experience in the Philippines after the war indicated difficulty would arise in appraising the value of claims.

However, it was said the budget bureau's idea was to establish some means of coordinating values, and that the facilities and data of the insurance

(CONTINUED ON PAGE 16)

N.F.P.A. CONTEST

Fort Wayne, Ind. Is Fire Prevention Week Winner

The grand award in the United States for the best municipal Fire Prevention Week program in 1951 has been given by National Fire Protection Assn. to Fort Wayne, Ind. Louisville, Ky.; Atlantic, Ia., and Los Alamos, N. M., and Fort Collins, Colo., were next in order.

Fort Wayne in the past few years has received some prominence among insurance people for achievements in traffic safety, largely owing to the work of the Fort Wayne insurance agents. There is an especially strong local board at Fort Wayne.

The purpose of the N.F.P.A. contest is to stimulate competition and encourage the use of Fire Prevention Week as a "springboard" for year round fire prevention programs. There were 2,164 entries in the 1951 contest, of which 1,076 were from cities and towns in the United States, Alaska and Hawaii. The largest number of reports received from any one state or province was from Quebec, Can., and the next largest was from Indiana.

The Canadian grand award winner was Ottawa, Ont.

In the United States the winners by population classes were: Class 1 (500,000 population or more) Chicago; class 2 (250,000 to 500,000) Louisville; class 3 (100,000 to 250,000) Fort Wayne; class 4 (50,000 to 100,000) Alameda, Cal.; class 5 (20,000 to 50,000) Tuscaloosa, Ala.; class 6 (under 20,000) Atlantic, Ia.

Special recognition was given Evanston, Ill., Township High School and the P. J. Jacobs high school at Stevens Point, Wis., for excellence in their fire prevention education programs.

The board of judges was composed of A. L. Ham, manager of the Dominion Board of Underwriters; Lewis Vincent, general manager of the National Board; Chief Rudolph Swanson, president of International Assn. of Fire Chiefs, and G. J. Richardson, secretary-treasurer of International Assn. of Fire Fighters.

Reg. 30 Experts Needed to Allocate Mule Kick Loss

Automobile claims men are accustomed to dealing with the claims that arise when a hunter's car collides with a deer, but at Spring Hope, N. C., a car recently was hit by a mule. After the vehicle bumped him, the mule got up and lashed out with a kick that toppled the car into a ditch. The mule suffered only a few scratches but the damage to the car was \$300.

In this sort of case, claims men say the collision policy covers the damage suffered by the car when it hit the mule, but comprehensive covers the damage caused by the kick from the mule.

Getting back to the case of that hunter, if the deer jumped on the car the damage is covered by the comprehensive but if the driver hits the deer that is covered by collision.

It isn't all quite as simple as that, however, another experienced claims man suggests. "What about the doctrine of proximate cause?" he asked. There apparently was no intervening agency between the striking of the mule by the car and the mule's reaction in kicking it. Maybe the collision coverage would be construed as covering all the damage, he commented.

Ousted Boston Tax Man Sticks to Insurance Story

Denis W. Delaney, ousted collector of internal revenue of Massachusetts, during his trial on charges of bribery and violation of the federal criminal

code, was questioned extensively on his dealings with Daniel Friedman of New York.

Delaney admitted receiving \$10,000 from Friedman but insisted that this was by way of a share in life insurance commissions and denied that it had any tax-fixing implications.

Delaney said he and Friedman entered an agreement to go into the insurance business in 1949. Delaney testified that this was consistent with his experience because he had been licensed as an insurance agent in Lawrence in 1928 and '29. He got four checks of \$2,500 each from Friedman but he said he could never induce Friedman to tell him to whom the insurance had been sold.

Last spring Delaney wrote a letter

that was back-dated to March, 1949, stating that the \$10,000 from Friedman was for advice on housing construction. Delaney testified that he did this at the insistence of Friedman who claimed he would be in hot water if it should be brought out that he split commissions with an unlicensed person.

G. L. Hubbard Chicago Aid for Pacific National Fire

Geoff L. Hubbard has been appointed assistant western manager at Chicago for Pacific National Fire. He has been in charge of the Texas territory with headquarters at Dallas for the past five years and has been a fire insurance man

30 years.

L. L. Solmer goes to Dallas as state agent. He has been with the Chicago western department since 1948 and previously traveled Indiana for Pacific National about 10 years. Due to illness in the family he prefers the Texas climate.

Spokane Agents Elect

Stephen B. Carkeek, R. J. Martin & Co., was elected president of Spokane (Wash.) Insurance Assn. He succeeds John Ferguson, who has been elected a member of the board. Dick Hunner of Anthony, Baker & Burns was elected vice-president and R. J. Meenach, Jr. was reelected secretary.



It takes two to do a mind-reading act—and it also takes teamwork between producer and company to build an outstanding insurance business. Last year we made available to any agent or broker, whether he represented us or not, copies of a monthly mailing to our producers, FIREMAN'S FUND IDEA INDEX. The requests were so numerous that we are continuing this offer in 1952. Past issues of the IDEA INDEX discussed specific coverages...the complete file is a miniature textbook on insurance. This year, the emphasis will be on sales helps, case histories, success stories, helpful information on overcoming sales resistance. One of many FIREMAN'S FUND services, our IDEA INDEX has built business for others...it can build business for you. Mail the coupon today.

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Builders' Risk Insurer Loses Dispute in Texas

In a dispute between the insurer of the builders' risk on Morgan Mill Baptist Church near Stephenville, Tex., and the insurer of the regular fire insurance risk, the U. S. fifth court of appeals in Commercial Standard vs. Rhode Island has decided that the builders' risk insurer must pay. The case is found in 7 CCH (Fire & Casualty) 708.

There had been no inconvenience to the insured in this case because each company had advanced one-half of the amount of the loss.

Commercial Standard through the King & Braeuer agency issued a temporary builders' risk policy on this church July 19, 1948. The Texas regulations provided that such a policy could be canceled only upon completion of the risk. A permanent policy could not be written until the building was "closed in, doors and windows hung and roof on."

New Status Anticipated

Anticipating that the church would be completed and ready for occupancy Aug. 31, 1948, King & Braeuer about Aug. 28 prepared a permanent five year policy in Rhode Island which was dated Aug. 31. On the latter date such policy was forwarded to the state checking office at Austin where it was registered and a copy forwarded to the Rhode Island general agents at Fort Worth. King & Braeuer reported the policy to Rhode Island as part of its August business and it was noted on the agent's office record that Commercial Standard policy was canceled effective Aug. 31. The latter policy was then in possession of a bank as pledge of the church and no endorsement was then made or attempted on such policy.

The salesman who was handling the church insurance attempted at the instruction of King & Braeuer on Aug. 28 and again on Aug. 31 to pick up the builders' risk policy and deliver the new one. The salesman accordingly placed the Rhode Island policy in his desk and made no further effort to deliver it. The church committee never assented to the substitution of the proposed new policy for the builders' risk contract.

Six Hours Work Left

The fire occurred Sept. 6, 1948. At that time the building was entirely enclosed but the front doors had not been hung, the windows were in place but not balanced and there was some work to be done on the roof. The pews and furniture had not been installed. When the fire started the contractor was installing the cross and nailing a 10-foot strip of ridge row on the roof. The unfinished work would have been completed within about six hours.

In holding against Commercial Standard the court said the church was ineligible for a permanent policy under the Texas regulations and also there was no delivery of the new policy actual or constructive prior to the fire. It was not intended that the new policy should become effective until arrangements had been made by the church committee as to the payment of premiums and the temporary policy had been surrendered. The salesman did not accomplish either of these prerequisites and the new policy provided it should be effective only while the church was being used for church purposes and the building had not yet been occupied when the fire occurred.

The builders' risk policy could not be canceled prior to the completion of the risk which had not yet occurred. The attempted but ineffectual issuance of the new policy did not ipso facto cancel the temporary policy.

The Huff agency at Sellwood, Ore., has been purchased by L. H. and Alice Alexander.

State Cover Becomes W. Va. Campaign Issue

CHARLESTON, W. VA.—Purchasing Director Carl Riggs declares that the state of West Virginia carries more insurance with agencies in Monongalia and Kanawha counties than is permitted by law. He spoke up after Rush D. Holt of Weston, former Democratic U. S. Senator and now a possible contender for the Republican nomination for governor, charged that the restrictions were ignored by the Democratic administration "to give Homer Hanna, the real political boss of the state administration, the business in violation of the budget."

Mr. Hanna is a clerk of the federal court for southern West Virginia and operates a Charleston local agency.

Mr. Holt referred to provisions of the 1949 and 1951 legislatures' appropriation bills which limited to 10% the portion of the total appropriations for insurance premiums which may be expended in any one county. The bills also provided that no more than 5% of the total appropriations may go to any one local agent.

Term Business Involved

Mr. Riggs explained that much of the state's insurance is written for three and five year terms. He said that when the restrictions first were put in the budget bill in 1949, he asked the attorney general whether it would be necessary to cancel these term policies to avoid violations. He was advised that cancellations would not be necessary but that he should work toward the goal of bringing the insurance program into conformance with the law.

Mr. Riggs said that only Monongalia and Kanawha counties have more state insurance business than is permitted by law. The excess in Monongalia, he said, is due to a large amount of insurance written by agencies there on West Virginia University, but that Monongalia will be within the legal limit by July 1.

Mr. Riggs conceded that insurance written by Ohio Farmers for which Mr. Hanna is agent, is responsible for the overage in Kanawha county. Mr. Riggs explained that under a 1949 law, the state undertook to provide public liability and property damage protection for drivers of state-owned vehicles. One insurer agreed to provide this, with provision for rate adjustment at the end of a year, on the basis of loss experience. Accordingly, since the rates would have gone up sharply for the second year, the coverage was let on a bid basis, and the low bidder was Ohio Farmers. The premiums amount to more than \$80,000 a year.

San Antonio Insurance Exchange heard R. H. Nutt, memory specialist, present the importance to the business man of being able to recall the names of those he meets.

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Trustam to Be Sole General Manager

Charles F. Trustam, in June, will become the sole general manager of both Royal and of Liverpool & London & Globe. At that time J. W. Berry and R. W. Sturgeon, who are general managers also, will retire.



Charles F. Trustam

Mr. Trustam has visited the U. S. frequently since he has been general manager in charge of western hemisphere operations of Royal-Liverpool. His entire business life has been with Royal-Liverpool—a span of some 31 years. He became general manager eight years ago at the age of 43. He is a former chairman of Liverpool Fire Salvage Assn., and former president of Liverpool Insurance Institute. He graduated at Trinity college, Cambridge.

Maloney Hartford Manager for Glens Falls Companies

Glens Falls has appointed William F. Maloney manager at Hartford, with supervision of all three-company operations in Connecticut and central Massachusetts. He succeeds John C. Davison, former casualty manager at Hartford, who has resigned.

Special Agent David H. McNamara will continue to handle casualty, fidelity and surety lines and will assist Mr. Maloney in group operations. Lauren T. Barnett will continue as casualty, fidelity and surety underwriter. Matthew H. Connors, claims manager, and Leroy B. Butler, inspector-auditor, will continue their respective duties.

Mr. Maloney was assigned to Hartford as fire special agent last June.

Hold Mutual Institute at Philadelphia April 21-23

The next session of the Mutual Fire & Casualty Insurance Institute will be held April 21-23 at Philadelphia. It is an educational project of American Mutual Alliance. George D. Haskell, Alliance director of education, is institute director.

James C. O'Connor, Cincinnati, executive editor of the F. C. & S. Bulletins of the National Underwriter Co., will speak on "Two Hundred Years of Insurance Development," tying in with the observance of the 200th anniversary of mutual insurance in 1952.

G. W. Hopkins, vice-president of Iowa National Mutual, will discuss the garage liability policy. Geoffrey Christian, Chicago, vice-president Northwestern Mutual Fire, will report on the all-risk dwelling endorsement, and Harry C. Foster, assistant secretary and research underwriter of Utica Mutual, will review contractors' coverages.

W. H. Rodda, of Transportation Insurance Rating Bureau, will open the second day's sessions with a talk on bailee coverages. R. D. MacDaniel, vice-president and chief engineer of Grain Dealers Mutual, will discuss "Judging the Fire Risk," and Mr. O'Connor will talk on products liability insurance.

Also at this session, Herbert E. Clarkson, Jr., of the business English department at Northwestern University will conduct a "communications clinic" to explain modern letter writing techniques.

At the concluding session will be Ashley St. Clair, counsel for Liberty Mutual, talking on fire legal liability. J. E. Hellgren, vice-president and manager of the group department of Lumbermens Mutual Casualty, will review group coverages, and Frank H. Beach, professor of marketing at the University

of Illinois, will discuss selling methods.

Concluding talk will be a report on "Two Hundred Years of Mutual Insurance" by J. J. Craugh, counsel for Utica Mutual.

Takahashi Appointed as New Hawaii Commissioner

Sakae Takahashi of Honolulu has been appointed treasurer and ex officio insurance commissioner of Hawaii for a four-year term. He succeeds William B. Brown, who resigned last year on

his appointment as a federal judge.

Mr. Takahashi is a graduate of University of Hawaii and obtained his law degree in 1948 from Rutgers. In the last war he served with distinction in the Italian and northern France campaigns and was discharged with the rank of major.

Howard K. Adams, who has been acting treasurer and commissioner, returns to his civil service post as deputy treasurer.

Members of University of Wisconsin Insurance Society at a dinner meeting,

heard a talk on "Legislation and the Public Interest" by State Senator Gordon Bubolz, who in private life is president of Home Mutuals of Appleton, Wis. Guests included Commissioner Lange of Wisconsin and Vice-president Luberger of the university. The insurance society consists of students in the university insurance courses. The dinner was attended by wives and "dates."

The Ferris & Dunn general agency at Los Angeles has been appointed representative for Baloise Marine in California.



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Royal-Liverpool Enters Foreign Insurance Field

Royal-Liverpool group has established a foreign department at New York, to be supervised by Everard H. Lock as manager, and E. James Edwards. Each has been with the group for more than 20 years and has served overseas.

The need for this development has become increasingly clear, Royal states, since the end of the war, following the manifold spread of American economic influence in foreign countries, the consequent dominant position assumed by American business abroad, and the demands of expanding industry for insurance protection in dollars. Under Royal's program, policies on a "home foreign" basis for all the usual classes of fire, inland marine, and casualty coverages will be issued in New York for business accepted, and foreign currency policies can be arranged where necessary. The group will have available its established world-wide organization.

The staff of the foreign brokerage department, which has hitherto serviced overseas business for the account of the head office, will be taken over by the new unit and its already wide experience with foreign hazards will thus continue to be used.

West Virginia Agents Assn. Joins Southern Conference

West Virginia Assn. of Insurance Agents has withdrawn from the Eastern Territorial Conference and has joined the Southern Agents Conference, it is announced by Louie Woodbury, Jr., Wilmington, N. C., chairman of the southern agents group.

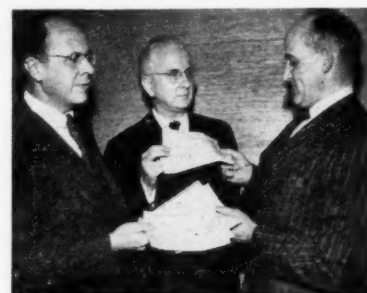
This makes the 10th state in the expanding Southern Agents Conference, Arkansas having withdrawn from the Mid-West Conference last fall and officially joined the Southern group at the annual meeting of National Assn. of Insurance Agents at Chicago.

West Virginia fire-wise, as well as Arkansas, has always been considered an "open" or independent state. Decision to join the Southern Agents Conference, Mr. Woodbury said, was based on opinions in these two states that their interests were more closely identified with the southern states than with other conference groups.

Other states in the Southern Agents Conference are Virginia, North Carolina, South Carolina, Georgia, Florida, Alabama, Mississippi and Louisiana.

An evaluation of the two new multiple location rating plans from the standpoint of both the agent and the insured, and when and how best to use either plan, will be one of the high points at the Southern Conference annual meeting at Hot Springs, Va., March 13-15. Other important topics include class rate adjustment methods, a panel on programming and surveys, business interruption for small and large insured, butane risks, automatic reinstatement and total insurance proposals, and agency management.

National Assn. of Insurance Agents will be represented by Vice-president Walter M. Sheldon, Chicago. Frank E. Kinzer, Covington, past president of the Virginia association, has been appointed general convention chairman.



C. G. Cornwell, left, manager of American Marine Hull Insurance Syndicate, and Fred Maccabe, center, president of American International Marine Agency, present checks totaling \$800,000 to E. H. Ottinger, representing the insurance brokers for Isbrandtsen Line. The checks represent the total American insurance on the hull of the Flying Enterprise, or 64% of the total \$1,250,000 insurance on the ship's hull. Presentation was at New York City.

Curtis New President of Illinois Brokers Group

Insurance Brokers Assn. of Illinois, at its annual business meeting, closed out the business of 1951 and elected new officers. The new group of officers includes Isaac H. Curtis, president; Frank E. Mueller, first vice-president; Lloyd E. Andrews, second vice-president; Wirt W. Stafford, secretary, and Fred C. Stiles, treasurer.

Directors, all of whom will serve until Jan. 1, 1953, are Joseph E. Futerman, A. Blum, N. B. Hicks, Lee E. Gleasner and John B. Siewers.

Reports were heard on all active committees. Outgoing President Anthony W. Ormiston presided. Treasurer Curtis reported total assets of \$4,776.92. Committee chairmen reporting were Mr. Futerman, grievance committee; Robert C. Geigel, legislative committee; George M. Proctor, national association representative; Mr. Ormiston in absence of Mr. Gleasner, membership committee; Albert T. Graham, Blue Book committee, Joseph Gerber, association attorney.

New Office at Memphis

The Springfield group has placed Special Agent Charles A. Rudd in charge of a new office at Memphis, to give more complete service to agents in western Tennessee. He was educated at Vanderbilt and University of Tennessee. For three years before joining Springfield in 1949, he was with Kentucky Inspection Bureau. He is a veteran of the last war and was on active service for eight months during 1951.

Wiester, Corbett Directors

John S. Wiester, vice-president of Johnson & Higgins of California, and Paul M. Corbett, president of Johnson & Higgins of Illinois, have been elected directors of Johnson & Higgins (New York).

Cal. Forum Hears Buyer

John J. Schuck, secretary of the northern California chapter of National Assn. of Insurance Buyers addressed Insurance Forum of San Francisco, Wednesday on "The Professional Insurance Buyer."

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Dunshee's Book Is Colorful Story of Early New York

The book created by Kenneth H. Dunshee of Home, entitled "As You Pass By," is both a handsome and entertaining one. Published by Hasting's House, it is also highly informative, and the amount of scholarship, research and just plain hard work that went into its preparation constitute the richest kind of testimony to Mr. Dunshee's love of his subject and skill with it—old New York.



K. H. Dunshee

The thread that ties the book together is fire-fighting through the early years of America's largest city. Mr. Dunshee is curator of the Harold V. Smith museum of early day fire-fighting equipment and memorabilia which is housed in Home's head office, and he is editor of "News from Home" which has a wide and well deserved reputation for its historical value and beauty of production. In a very broad and real sense, President Smith of Home has been the inspiration of Mr. Dunshee's book.

Illustrations Are Characteristics

Perhaps the volume's most distinctive characteristic is created by the number of illustrations, which is magnificently large, and which are arranged per se and in relation to text with great skill and signal effect. Most of the photographs reproduced are rare and many of them have never before been published. There are several very beautiful color reproductions. The result is unusually rich. To anyone with a fondness for the New York local scene, the book is an endless delight.

Yet the book is not simply antiquarian. It is not merely a pictorial record through time of old places, things, maps, and architecture. The text has been selected with both sentiment and sense, and the stories aptly and in many cases beautifully carry Mr. Dunshee's theme. They give the antiquarian flavor the vitality of human history, the interest of people and events, and impart to the patina of old times the colorful vitality of human foibles and heroics.

Insurance Section

Fittingly enough, his history deals with sections of New York which are the insurance streets of today—John Street, Maiden Lane, etc. It is not confined to those areas, but takes in the entire city, where that is appropriate, but it is true that old New York was lower New York, much of which is familiar to the working insurance population of today.

This is not Mr. Dunshee's first book. His first was "Engine! Engine!", which attracted nationwide attention for its colorful revelation of old time fire engines and fire protection. There as in the new book Mr. Dunshee has uncovered many previously overlooked sources of information, including diaries, minute books and archives of old fire insurance companies and authentic old prints and photographs. It is obvious that he has worked extremely hard, but with intelligence and artistic instinct. The result is a very fine book which should attract many readers, both in and out of insurance, for years to come.

Excess Limits Forum

A forum on placing excess lines will be sponsored by the Greater New York Insurance Brokers Assn. Jan. 28. The speakers are Walter F. Brooks, New York deputy superintendent, who will review the proper methods of placing and handling this business, and Shelby

Cullom Davis, insurance investment specialist, who will explain how a producer can judge the financial standing of a company.

Give Program for Meeting of N. Y. Savings Banks Forum

NEW YORK—The annual meeting here Feb. 15 of Savings Banks Insurance Forum of New York State will consist of an afternoon session, reception and dinner.

The speakers are William Leslie, general manager of National Bureau of

Casualty Underwriters, on "Bank Liability Coverages"; Thomas E. Walton, Jr., assistant secretary, North America, on "Recent Developments—All Risk Insurance Requirements and Policy Forms"; and Paul S. Williams, executive vice-president, Alexander Summer Agency, Teaneck, N. J., on "FHA 608 Loans—Hazard Insurance Requirements and Policy Forms." There will be a question and answer period after each talk.

The dinner speaker is Ralph Brooks, coordinator of governmental affairs, Commerce & Industry Assn. of New

York, on "Creeping Socialism Now in Full Gallop."

Stan Galloway Moves

Stan Galloway of the Richter-Galloway General Agency of Denver has disposed of his interest in that agency, and will move to Albuquerque, N. M., to become associated with the local agency of the Headrick Real Estate Co.

Frank Pemberton, Seattle agent, sold his fire and casualty business to Kenneth I. Tobey. Mr. Pemberton is now devoting his full time to the life insurance with Guardian Life.

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Big Turnout for Illinois Field Rally at Peoria

By JOHN C. BURRIDGE

PEORIA—Nearly 150 field men were on hand here last week to participate in the meetings of Illinois Fire Underwriters Assn., Illinois Fire Prevention Assn., the public relations committee and the Blue Goose.

The turnout for the Blue Goose dinner Tuesday evening was one of the best in history, with 133 attending. Twenty-four candidates were initiated at the afternoon ceremonies which were presided over by M. L. G. Elmer C. Donnelly, Northern of New York.

J. Ray Hull, American States, Indian-

apolis, a P.M.L.G.G., gave the admonition and Dan J. Harrigan, St. Paul F. & M, did his customary fine job of delivering the charge. The Peoria puddle was host for this affair, with D. C. Girardot, Western Adjustment, Peoria, pond guardian, and Ray D. Ashton, Home, the local bullfrog, in charge of arrangements.

Illinois Fire Underwriters Assn. the following morning conducted its midyear meeting with about 70 attending. X. R. Royster, Citizens, is the president of this organization. Mrs. Ruth Hertz, in her report as secretary, noted that there are now 192 active members and 73 honorary members of I.F.U.A. Three new honorary members were elected, E. H. Miller, North British, L. J. Eppler, Loyalty Group, and J. W. Fraser, Great American, and 15 new members were taken in. Mrs. Hertz announced that the annual meeting is scheduled for June 18-19 at Nippersink resort, Genoa City,

Wis.

Brief committee reports were made by W. M. Miran, Atlas, for rules and forms, G. R. Nordgren, Automobile, on legislation, and Harold Williams, American, loss committee.

Mr. Royster discussed the agency balance situation and described the new balance committee practices that are recommended by W.U.A.

Tells Audit Bureau Operations

Douglas F. Best, superintendent of the audit department of Illinois Inspection Bureau, was the principal speaker, and he gave a resume of the operations of the audit bureau, which was merged with Illinois Inspection Bureau in July. There are 58 employees in the audit department of whom only six are males, Mr. Best said, commenting that one of his big headaches is the turnover among the female help.

Last year, the audit bureau handled 1,409,910 policies, daily reports and endorsements, an increase of 16% in five years. About 10% of all items are criticized.

The audit bureau had a big year in 1951, Mr. Best reported. In addition to being merged with the inspection bureau, a number of changes were introduced including the additional extended coverage endorsement, the annual extension endorsement, the installment payment plans and the automatic reinstatement endorsement, as well as the one-write policy.

Send Criticisms to Day

Commissioner Day on Oct. 1 asked that all criticisms dated Aug. 1 and after be sent to the state insurance department weekly. Since this situation has prevailed, Mr. Best said there has been a more rapid response to the criticisms. Then on Jan. 7, Mr. Day asked that the list of corrected criticisms be sent to the state weekly for a comparison on compliances, and the department is writing to all companies that have not complied after a certain period.

At the annual meeting of Illinois Fire Prevention Assn., David E. Larson, Home, was named president. Vincent Mooney, London Assurance, is the new vice-president and Herbert E. Endicott, Northern of London, was reelected secretary. Hale Baldwin, New York Underwriters, and John Mitchell, North British, comprised the nominating committee.

Named to the executive committee were Oscar W. Showalter, and Kent L. Macy, New York Underwriters; G. R. Nordgren, Automobile; Benjamin Harrison, Great American; Earl Hazen, North British and L. W. Schriver, Phoenix of London. Robert Blair, State of Pennsylvania, is the retiring president. Mr. Endicott reported that last year the association conducted six town inspections covering 944 risks. Over 3,000 recommendations were made. For 1952 it is planned to conduct seven town inspections.

The Illinois field men may by March

be receiving their own field publication, A. R. Goodall, National Union, declared in his remarks at the public relations committee meeting. Mr. Goodall as vice-president of I.F.U.A., is chairman of the public relations committee. Illinois is the only major state in W.U.A. territory, he noted, that does not have its own field publication. Harold Todd, Loyalty Group, will be editor of the new publication.

Mr. Goodall also announced that a booklet on insurance for school districts is soon to be distributed by the Illinois School Board Assn. This booklet was written by a committee of I.F.U.A. in cooperation with two or three of the casualty executives in Chicago, and it is very comprehensive. The booklet, which has the approval of American Mutual Alliance, will be distributed by the high school association to the school districts throughout the state.

Anti-Trust Suit Filed Against I. B. M. at New York

A civil anti-trust suit has been filed in federal court at New York against International Business Machines Corp., charging that it has unlawfully restrained and monopolized the tabulating industry in the United States in violation of the Sherman act.

The government charges that I. B. M. owns more than 90% of all the tabulating machines used in this country and 95% of all tabulating machines used by the federal government.

The court was asked to require I. B. M. to give present and future users of tabulating equipment an option either to purchase or lease it on a non-restrictive basis.

Insurance companies country wide use thousands of these I. B. M. machines.

I. B. M. denied the charge and said that it is but one of many business machine companies in a highly competitive field.

An injunction was asked which would prohibit I. B. M. from leasing equipment on any condition which required prior disclosure of the use to which the machine was to be put by the purchaser; prohibited experimentation with the machine, required the purchaser or lessee to make use of the maintenance and repair service of I. B. M., or required the purchase of replacement parts or tabulating cards from I. B. M. The government said I. B. M. will not sell tabulating machines to users but permits their use only under a leasing system which in the past has contained burdensome and unreasonable restrictions.

W. E. Newcomb, vice-president and western manager of Great American, and Mrs. Newcomb have returned from a vacation trip to Phoenix, Ariz. With them for a time there was their son William K. Newcomb, who is in the air force and who was on leave prior to going overseas. In civilian life he is with American Ins. Co. at San Francisco.

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G. W. Haerle Promoted by Sexton Co., Others Raised

Charles W. Sexton Co. of Minneapolis, has advanced George W. Haerle from vice-president and resident manager at Portland, Ore., to executive vice-president, with headquarters at the home office. The Portland office will now be directed by C. D. Grew and W. A. Comrie, both of whom have been appointed vice-presidents. In addition, Adolph P. Norton has been named vice-president and Philip B. Harris, assistant vice-president.

Mr. Haerle's first insurance experience was with the Portland general agency of McCargar, Bates & Lively. He went with Sexton Co. in 1923, was appointed a director in 1939 and vice-president in 1946. A former president of Oregon Assn. of Insurance Agents, he has been prominent in National association affairs.

Mr. Grew has been manager of the fire underwriting department at Portland. Mr. Norton has been an account executive, and Mr. Harris sales manager, both at Minneapolis. Mr. Norton is president of Insurance Agents Assn. of Minneapolis.

Don F. Odgers Loss Head of West Bend Mutual



Don F. Odgers

Don F. Odgers has been named loss manager of West Bend Mutual Fire of West Bend, Wis. He has been active in the home office loss department for the past three years. During the last war he served with the air force 2½ years. After his return to civilian life he attended Marquette University.

Rain & Hail Bureau Names Hansen, Hassett in New Posts

Rain & Hail Bureau has appointed O. L. Hansen as superintendent of the newly established Iowa-Missouri division. Alvin A. Hassett has been named assistant superintendent of the Canadian division.

Mr. Hansen has been with the bureau (which is the hail department for Springfield F. & M., Aetna Fire and North America) for 25 years, as special agent and more recently as field supervisor in Iowa. An Iowa-Missouri division has been opened at 604 Insurance Exchange building, Des Moines with Mr. Hansen in charge.

Mr. Hassett, who will have headquarters at Regina, Sask., has been with the bureau for 14 years as special agent in Canada.

Rain & Hail Bureau on Feb. 1 will open a branch office in the Security Trust building, Lexington, Ky., with Curtis F. Park, special agent, in charge. The office will handle Kentucky and Tennessee.

P. & I. Course Is Given

A course in protection and indemnity insurance is offered by the school of insurance of Insurance Society of New York commencing Feb. 7. Richard M. Noack of R. A. Fulton & Co., is the instructor.

Pinball Machine Illegal; No. Loss

District Judge Moore of Des Moines has ruled that Watson Brothers Transportation Co. of Omaha was not liable for the loss of a pinball machine because it was "an illegal gambling device" and thus "had no value as property."

Standard Fire of Hartford brought suit against the transportation company after paying Bally Manufacturing Co. of Chicago \$525 on loss of the machine

while in transit to Sandler Distributing Co. of Des Moines in 1948.

The Watson company did not deny that the machine had been lost but based its defense wholly on the contention that the machine was an unlawful gambling device.

George Gartner, nephew of Herman Gartner, senior member of the firm, has become a partner in the Mitchell, Gartner, & Thompson agency, Fort Worth. He has been with the agency since graduation from Texas Christian University in 1947.

New York Panel to Review Newspaper Insurance Needs

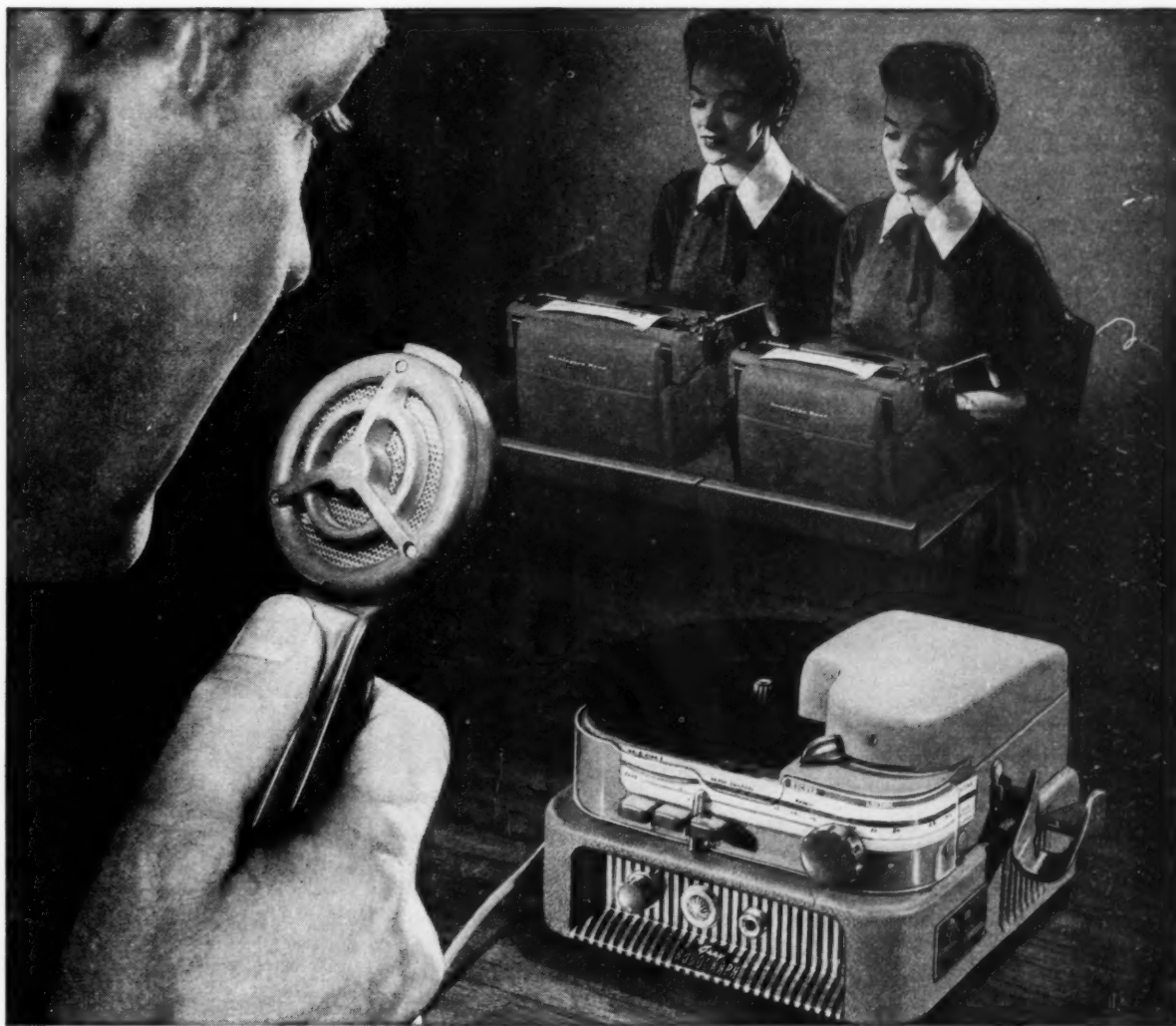
At the 100th annual convention of New York Press Assn. at Syracuse Feb. 8 a panel will review the various commercial aspects of newspaper operations from an insurance standpoint. The panel will review the various types of protection needed by newspaper publishers and stress the excellent public relations activities of the Press Association in connection with insurance.

The panel consists of John C. Stott,

former president National Assn. of Insurance agents; Forrest H. Witmeyer, president of Excelsior; Donald B. Sherwood, general adjuster National Board, and Frederick W. Doremus, manager Eastern Underwriters Assn.

The Press Association membership includes practically all weekly newspapers published in New York State.

W. Grady Carper has purchased the majority stock of the Martin agency at Princeton, W. Va., and is merging it with his agency as Mercer General Insurance Agency. Richard Copeland of Rock Camp will be associated with him.



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Should Agent Pay Sales Tax? W. Va. High Court to Decide

The West Virginia supreme court has agreed to review a case involving the question of whether fire and casualty agents should pay the state's gross sales tax.

Judge Bouchelle of Kanawha county circuit court ruled that they should pay the tax, but certified his decision to the supreme court for review.

A test case to decide the point was instituted in the lower court by Andrew E. Douglass of Parkersburg after he was notified by State Tax Commissioner Koontz that he was delinquent in payment of gross sales taxes for 1948, 1949 and 1950.

Douglass, doing business as Chancellor Insurance Co., contended he was not liable for such taxation. Koontz held that insurance agents were engaged in selling intangible personal property and therefore should be required to pay the tax.

Krafft Resumes Control

Underwriting of fidelity business at Continental Casualty has now been returned to the surety department under the executive supervision of Vice-president Walter E. Krafft.

Some years ago, President Roy Tuchbreiter explained, because of a manpower shortage in the fidelity-surety department, the underwriting of fidelity business was transferred to the burglary and inland marine department. Since then, however, the fidelity-surety branch has been materially strengthened by the acquisition of A. J. Reid, assistant vice-president, who was formerly with National Surety, and by the development of some of the younger men.

Security Type Bill in R. I.

PROVIDENCE—The latest version of the American Automobile Assn. auto safety responsibility law has been introduced in the Rhode Island legislature with the support of the Republican party. The effective date would be Jan. 1, 1953.

Doyle Baltimore President

Assn. of Insurance Underwriters of Baltimore City has elected Frank A. Doyle president; W. K. Crosby, vice-president; C. K. Oakley, secretary, and the following executive committee: Robert J. Thome, chairman; F. Addison Fowler, Charles H. Cover, Paul E. Keedy and Arthur Klinefelter. Howard W. Jackson is retiring president.

Keep Brewer at Helm

Herbert S. Brewer was reelected president of the Lockport, N. Y., Board of Fire & Casualty Underwriters. Other officers reelected are Richard H. Smith, vice-president, and Robert F. Landri-gan, secretary.

High, Larson Are Speakers

West Coast (Fla.) Assn. of Mutual Agents at the Jan. 23 meeting at St.

Petersburg had as speakers E. F. High, president of National Assn. of Mutual Agents, who discussed "Our Golden Opportunity," and J. Edwin Larson, Florida commissioner.

Texas Auto Unit Discards Plan to Be Rating Office

AUSTIN—Texas Automobile Insurance Service Office has discarded a tentative plan to qualify as a rating organization for B.I. and P.D.L. lines on motor vehicles, other than motor buses operating under authority of interstate commerce commission. Authorization certificates which had been executed by companies in response to the recommendation of the governing committee will be returned.

The original plan to become a rating organization followed issuance of an order by the Texas department transferring regulation of this class of insurance from the motor vehicle rating law to the casualty rating law.

No Profit on Assigned Risk

Raymond B. Moses, Houston manager of Travelers, told Insurance Women of San Antonio that neither the companies nor the agents will make any money on risks written under the assigned risk plan. He said no one would voluntarily accept business on which money would be lost, when it is known in advance. He cited that the loss ratio on bodily injury is 115% and on property damage 78%.

Mr. Moses, who is chairman of the appeals committee on assigned risks, urged that agents be careful in declining to accept risks, pointing out that the plan is to provide protection to those who are justly entitled to it yet find it impossible to secure this protection through the regular channels.

He emphasized that it is not a pool but a plan set up for equitable distribution of risks, that the companies and the applicant for insurance may appeal to the appeals committee, and that those who have automobile licenses from states not having a responsibility law are not eligible in Texas for the protection.

New Officers at Stoughton

Harley B. Moe has been elected president to succeed Paul Donahue by Stoughton (Wis.) Assn. of Insurance Agents. Walter Eggleston is vice-president; Henry Bjoen, secretary, and Mrs. John Bjoen, treasurer.

R. W. Klitzman, Madison, Dane county traffic director, spoke on highway safety and showed safety films.

Molhock Heads Agency

John G. Molhock has been elected president of the Grinnell-Row Co. agency, Grand Rapids, Mich., succeeding the late Frank Row, who died in November.

Mr. Molhock is new president of

Grand Rapids Assn. of Insurance Agents. He has been active in the agency field since 1929 and with Grinnell-Row for 10 years. Other agency officers are: Vice-president, John W. Hamilton; secretary, Mrs. Ruth Grinnell Hodgen, and treasurer, Miss Edytha P. Carpenter. Mrs. Hodgen is the sole surviving member of the founding families.

Talks to Auto Dealers

W. C. Carney, head of the Carney-Rutter agency, Milwaukee, will discuss "What a Program of Insurance for Garage Owners and Operators Should Contain" at the January dinner-meeting of Badger State Automobile Dealers Assn.

Lake County Group Elects

GARY, IND.—Lake County Insurance

Agents Assn. has elected Allen F. O'Rourke, Hammond, president; Robert M. Mitchell, East Chicago, vice-president; Joe B. Grenchik, Whiting, secretary.

Murphy Takes PR Post with National Automobile Club

Harry Murphy has been appointed public relations representative for National Automobile Club. Working under Robert W. Jackson, director of public relations, Mr. Murphy will travel California speaking before local school and civic groups on traffic safety, showing films on that subject, and making demonstrations of the latest devices designed for the testing of a driver's skill.

Insurance Women of Wichita are holding their bosses dinner Jan. 28. Miss Emily Casford of Wheeler, Kelly, Hagney is president.

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Charities Immunity Abolished in Miss.

Third State to Follow Iowa Case of Last Year

Mississippi has joined the list of states which have reversed old decisions and held charitable institutions liable for damages caused by negligence of employees on substantially the same basis as any other person or corporation. By a unanimous decision, the supreme court of that state upheld a \$25,000 judgment against a hospital for death of a patient who, through the mistake of a technician, was given the wrong type of blood in a transfusion. The case is *Mississippi Baptist Hospital vs. Holmes*, 19 C.C.H. (Negligence) 1139.

The opinion may be called a cautious one, in that the judges took pains not to go beyond the exact case before them. The deceased was a paying patient and the opinion emphasized that the judges were not considering the question of whether a charitable institution can be held liable to outright recipients of charity. The decision, however, specifically reversed older cases, including one involving the same hospital, which had held that a charitable institution could not be liable to beneficiaries—paying or non-paying—if it had exercised care in the selection of its servants.

Care in Selecting Servants

Because of the older holdings in Mississippi—similar to older decisions in many other states—two distinct charges had been made in the suit against the hospital. One was that the hospital had been negligent in employing the technician who confused the blood types. This contention the supreme court rejected, citing the technician's education and past employment record, and held the hospital was entirely justified in employing him. The case then was decided on the other charge—that he had been negligent in confusing the blood types and that the hospital was responsible for his negligence; even though it was a non-profit institution.

The result of the careful and lengthy legal phraseology in the supreme court opinion is that it is now unquestionably the law in Mississippi that a non-profit institution can be held liable to a person who pays for its services because of the negligence of its servants, even if it has used reasonable care in selecting the servant or servants in question.

"Insurance Exception" Rejected

It is brought out in the opinion that Mississippi Baptist Hospital had liability insurance in Aetna Casualty with a limit per person of \$25,000. Several states—Arkansas, Colorado, Illinois, Louisiana and Tennessee—have held for one reason or another, that a charitable institution waives its immunity by carrying liability insurance. The Mississippi supreme court refused to adopt this doctrine—now often referred to as the "insurance exception" by legal writers—and held instead for liability to paying patients, whether or not insurance is carried. It did point out, however, that the availability of liability insurance is a strong reason for holding against any special exemption for charitable institutions.

The jury had been excluded from the courtroom at the trial when the question of liability insurance was discussed. The supreme court admitted that some of the jurors had probably learned about this insurance through reading newspaper stories while the trial was going on, but did not feel this was sufficiently prejudicial to upset the verdict. The amount of the judgment, \$25,000, undoubtedly caused upraised eyebrows in insurance claim circles, since it was exactly the same as the policy limit per person.

The Mississippi supreme court was strongly influenced by the Iowa case of *Haynes vs. Presbyterian Hospital Asso-*

ciation, 45 N. W. (2d) 151, and was the third high court to follow it within a year. The Iowa case, decided late last year, overruled older cases in that state and held flatly for no immunity of charitable institutions. It was predicted at the time that the strong language of the Iowa supreme court and the publicity given the decision would undoubtedly influence other states to reverse old established rules of immunity. Earlier this year, the Arizona supreme court reversed older cases in *Ray vs. Tucson Medical Center*, 230 Pac. (2d) 220, holding a charitable institution liable,

and in November the Delaware supreme court considered the question for the first time in *Durney vs. St. Francis Hospital*, 83 Atl. (2) 753, also holding for liability. Both these opinions cited the *Haynes* case.

Because of the careful language of the Mississippi Baptist Hospital opinion, it is not certain now whether Mississippi has gone the whole way in repealing the exemption of charities or whether it applies only to paying patients and outsiders with no liability as to outright recipients of charity. Alabama, California, Georgia, New York

and Utah hold, with some variations, that a charity can be held liable to paying patients or other users of its services and to outsiders for injuries caused by the negligence of servants, but is not liable to a recipient who pays nothing. In most cases, the courts have traditionally held that a person such as a hospital patient who receives some benefits from the charity is a beneficiary, even though he pays something, so the distinction in these few states is important. It will take subsequent decisions to make known just how far Mississippi has gone.



'Lige is gittin' up Suthin'

In 1792 . . . fifteen years before Fulton's "Clermont" sailed up the Hudson . . . Providence seafarers watched Elijah Ormsbee sail his goose-foot paddle steamboat in Narragansett Bay. Some of Fulton's success has been attributed to Ormsbee's earlier experiments which put Rhode Island at the forefront in steam navigation development.

Elijah Ormsbee's inventive genius was not confined to the steamboat. Friends said, "Lige was allus gittin' up suthin'". Prior to 1792 he built a steam pump to raise water out of deep iron mine pits. Power looms for cotton mills . . . fire engines . . . tools and machinery were also among his many original mechanical contributions to early American industry and commerce.

A longboat from the ship "Abigail" became Elijah Ormsbee's first steamboat. It was loaned to him by ship-owners Clarke & Nightingale. John Innes Clarke, head of the firm, was a founder and a director of the Providence Washington Insurance Company.

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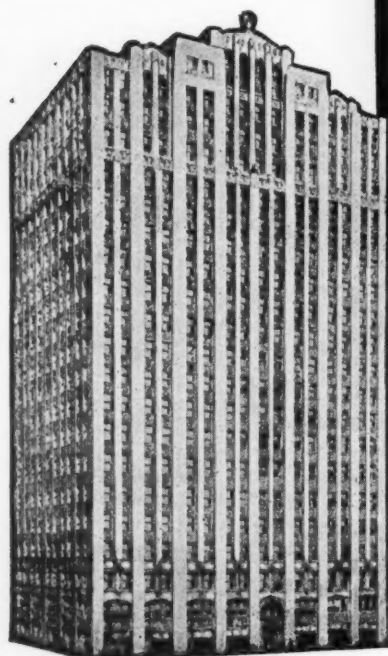
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Judge Cuts Claim \$37,000, Says Public Adjuster "Misconceived His Duties"

A claim presented by Atlas Steel Co. through a public adjuster against seven fire companies in the amount of \$40,564, has been reduced by U. S. District Judge Briggie of Springfield, sitting at Chicago, to \$3,500. The judge said in his opinion: "I think the (public) adjuster for the plaintiff misconceived his duties. His duty is not to get all he can for his client; his duty is to present an honest claim on behalf of his client to the insurance company. That is his full duty. I think he was, strictly, in presenting this claim here for 100% value, I think he misconceived his duty entirely in that respect."

Judge Briggie went on to say that he might be justified in holding that

there was a fraudulent presentation of Atlas' loss, but that he was not convinced that the president of Atlas had a dishonest purpose in presenting his claim.

The fire companies on the risk were Boston, Equitable F. & M., Fulton Fire, Northern of New York, Law Union & Rock, Firemen's of Newark and American Union. Donald N. Clausen of the Chicago law firm of Clausen, Hirsh & Miller, represented the fire companies.

John H. Stoffels has joined Rodman M. Brown, independent adjuster at Minneapolis and St. Paul, as staff adjuster.

Convention Dates

Feb. 20-22, Michigan Assn. of Insurance Agents, mid-year, Sheraton-Cadillac hotel, Detroit.

March, 5-6, Fire Underwriters Assn. of the Pacific, annual, Palace Hotel, San Francisco.

March 11, Pittsburgh Insurance Day, William Penn hotel, Pittsburgh.

March 13-15, Southern Territorial Conference of N.A.I.A., Honiestead, Hot Springs, Va.

March 17-18, National Assn. of Surety Bond Producers, annual, Blackstone Hotel, Chicago.

March 20-22, N.A.I.C. zone 5, Baker hotel, Dallas.

March 24-25, Midwest Territorial Conference of N.A.I.A., Schroeder Hotel, Milwaukee.

March 31, Buffalo Insurance Day, Hotel Statler.

March 31-April 3, N.A.I.C. blanks committee, Hotel Commodore, New York.

March 31-April 1, N.A.I.C. zone 2, Hotel Roanoke, Roanoke, Va.

March 31-April 2, Far West Agents Conference of N.A.I.A., San Francisco.

April 6-8, Eastern Territorial Conference of N.A.I.A., Haddon Hall, Atlantic City.

April 7-10, Western Underwriters Assn., annual, Greenbrier Hotel, White Sulphur Springs, W. Va.

April 23-24, Minnesota Agents, mid-year, Hotel Nicolet, Minneapolis.

April 24-25, N.A.I.C. zone 3, Long Beach resort, Panama City, Fla.

April 28-30, Rocky Mountain Territorial Conference of N.A.I.A., and mid-year meeting of N.A.I.A. National Board of State Directors, Cosmopolitan Hotel, Denver.

May 1-3, North Carolina Agents, annual, Carolina Hotel, Pinehurst.

May 7-9, Iowa agents, annual, Hotel Des Moines, Des Moines.

May 7-9, Louisiana agents, annual, Edgewater Gulf Hotel, Edgewater Park, Miss., and Hotel Markham, Gulfport, Miss.

May 12-15, National Assn. of Mutual Insurance Agents, mid-year, Broadmoor hotel, Colorado Springs.

May 15-17, Texas agents, annual, Adolphus Hotel, Dallas.

May 16-17, Oklahoma Agents, annual, Tulsa Hotel, Tulsa.

May 19-21, Insurance Accounting & Statistical Assn., annual, Netherland Plaza Hotel, Cincinnati.

May 19-21, American Assn. of Managing General Agents, annual, Greenbrier, White Sulphur Springs, W. Va.

May 21, Connecticut agents, midyear, Wee Burn Country Club, Darien.

May 22-24, Arkansas Agents, annual, Arlington Hotel, Hot Springs.

May 23-24, Upper Peninsula (Mich.) Agents, annual, Escanaba.

May 26-28, Health & Accident Underwriters Conference, annual, Cosmopolitan Hotel, Denver.

June 16-19, International Assn. of A. & H. Underwriters, annual, Asbury Park, N. J.

June 17-19, Tennessee Fire Underwriters Assn., Lookout Mountain hotel, Lookout Mountain.

June 18-19, Illinois Fire Underwriters Assn., annual, Nippersink Manor Resort, Genoa City, Wis.

June 19-20, Virginia Agents, annual, Hotel Roanoke, Roanoke.

June 22-25, N.A.I.C. annual convention, Conrad Hilton hotel, Chicago.

June 22-24, New England agents, annual, Bretton Woods, N. H.

July 3-5, National Assn. of Independent Insurance Adjusters, Greenbrier hotel, White Sulphur Springs, W. Va.

Aug. 17-19, Washington agents, annual, Chinook Hotel, Yakima.

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Leonardson Secretary of Prudential, Hudson, Skandia

B. W. Leonardson has been elected secretary of the Prudential of Great Britain, Skandia, and Hudson reinsurance group, which recently opened new offices in New York as a separate entity.

After graduation from the University of Wisconsin, he joined Hardware Mutuals at Stevens Point. After several years' work in accounting, he was transferred to the field and was made accounting manager at Boston. Later he was transferred to Newark and subsequently became office manager for the eastern district, covering New York, New Jersey, Pennsylvania, Delaware, Maryland and District of Columbia.

Mr. Leonardson was one of the principal organizers of the Newark chapter of the National Office Management Assn., and became its charter president in 1948.

Destruction of Horse Is Not in Scope of Cover

Vermont supreme court, in *Abraham vs. North America*, has given a decision for the insurer under a livestock mortality policy in a dispute as to whether destruction of an ailing saddle horse was under circumstances imposing liability on the insurance company. The citation is 7CCH (Fire & Casualty) 697. The horse was insured June 3, 1948 for one year for \$400. The policy covered "destruction in the case of incurable illness or injury . . . provided that a written certificate from a qualified veterinarian to be specially appointed by the company to examine the animal is first obtained certifying that such destruction is necessary in order to immediately relieve incurable suffering."

In January, 1949, the insured notified North America that the horse had an ailment requiring its destruction and the animal was examined by a veterinarian designated by North America. Two days after making the examination the veterinarian certified to North America that the mare was totally blind due to "moon blindness." He stated that the acute pain in this disease subsides after the cataracts are completely formed as in her case. He expressed the belief, as a veterinarian and from a humane standpoint, that the animal should be destroyed.

The animal was destroyed, but North America denied liability. The court said there must be conscious suffering, that the condition must be so acute as to demand action at once and without delay in order to put the horse out of misery. Instead the veterinarian's certificate negatives acute pain. The statement of the veterinarian that in his opinion the animal should be destroyed is some distance from saying that destruction is necessary. He waited two days before completing the certificate and this indicates that he did not feel that the condition was such as to necessitate immediate destruction to relieve suffering.

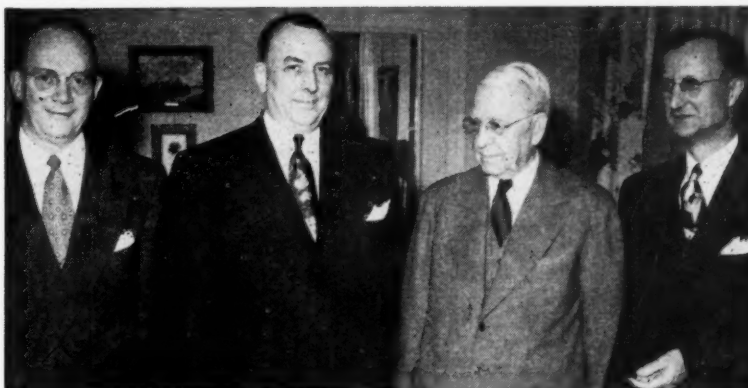
To Continue Fire Patrol

At the biennial meeting of New York Board it was voted to continue the fire patrol for 1952-53. T. Morgan Williams, Home, was named chairman of a committee to draft a memorial resolution to H. B. Standen, North British, who died recently. H. J. Kiefer, Aetna, and J. N. Thompson, North British, are on the committee with him.

Fine Blood Bank Response

More than 300 employees of Royal-Liverpool lined up the other day and gave to the Red Cross blood bank. This response was more than twice that enlisted in the last blood bank, due to a six-week publicity campaign at the head office. Posters in every office, bulletins to employees reporting on the response, a dramatic display in the lobby, and the full cooperation of top management were important factors in this campaign.

Cincinnati Centenary Ceremonies



Shown here are the principals at the luncheon given at Cincinnati by Royal in honor of the 100th birthday of the Laws' Insurance Agency, which has represented Royal continuously and is the oldest U. S. agency of the company. Left to right—R. C. Walker, Cleveland, regional manager, who was toastmaster; Elmer Voorhis, New York, assistant U. S. manager; W. A. Earls, president of the agency and of the jointly owned Earls-Blain agency, and R. E. Sewell,

state agent at Cincinnati.

H. F. Gregg, regional manager at Chicago, who had been on the scene in 1922 when Mr. Earls acquired control of the agency, was also present and spoke briefly. Telegrams were read from M. H. Grannatt, retired assistant U. S. manager of Royal, and H. C. Conick and Clarke Smith, U. S. manager and deputy U. S. manager. Bows were taken by three descendants of Dr. John S. Law, founder of the agency—Mrs. Eliz-

abeth Hedger, his granddaughter, and Nancy Law and Charles Law, great-grandchildren of Dr. Law and children of Charles Law, who was active in the agency prior to 1922. Miss Law, who is cashier for Fidelity Mutual Life in Cincinnati, showed a life insurance policy written on Dr. Law by Royal during the brief time the company wrote life insurance in the United States. It contained the restrictions common at that time against travel west of the Mississippi and did not cover death by dueling. J. F. Schweer, secretary Cincinnati Fire Underwriters Assn., and J. C. O'Connor, executive editor "Fire, Casualty & Surety Bulletins," also spoke briefly.

Milwaukee Ins. Co. to Mark 100th Anniversary Feb. 15

Milwaukee Ins. Co. of the Loyalty group, formerly known as Milwaukee Mechanics, will celebrate its 100th anniversary Feb. 15.

Originally a mutual, the company was reincorporated on a stock basis in 1885 with paid-in capital of \$200,000. Present capital is \$2 million. Interests identified with Firemen's of Newark secured control of the company in 1929.

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CASUALTY INSURANCE NEWS

Inflation Makes Close Ties Between Lawyer, Adjuster Urgent, Bar Chief Avers

How proper cooperation between the adjuster and attorney can help reduce the cost of losses was outlined at a dinner meeting of Casualty Adjusters Assn. of Chicago by Joseph H. Hinshaw, Chicago attorney and president of Illinois Bar Assn.

Inflation makes close cooperation urgent today, Mr. Hinshaw said, adding that if the upward trend continues companies will soon have to take inflation into consideration when making rates. Unlike years ago, claims now become more valuable as they grow older.

Mr. Hinshaw opined that lawyers should be brought in on all claims where the liability is clear and when the amount is sizable. In order that the lawyer can be of the greatest help, he should be consulted about the claim at its very

inception rather than when a summons is delivered. It is the few large cases, according to Mr. Hinshaw, that determine loss ratios, rather than run-of-the-mill claims. Therefore, when it appears that a case will eventually get to court, the lawyer should be brought in from the very beginning so he and the adjuster can cooperate in drawing up a plan of action.

Mr. Hinshaw chided the practice of some companies of withholding certain information from the lawyer, mentioning that this only militates against an eventual favorable outcome.

Once a case gets to court, Mr. Hinshaw said the defense must be as dramatic in its presentation as are the attorneys for plaintiff. Because the average juror is not accustomed to thinking along legal lines, he is more impressed by a presentation buttressed with graphs, pictures, medical outlines and other material things. While not suggesting abandonment of a crisp legal approach, Mr. Hinshaw advocated incorporating in the defense all material objects capable of impressing the juror.

Hits Compulsory Plan

ATLANTIC CITY—Desirous as the insurance business to see all automobiles insured for third party liability, insurance is united in opposition to so-called compulsory insurance because it is impractical and unworkable. Instead, the security type financial responsibility law now being used by 36 other states is the best plan for assuring maximum protection to the public. That analysis of the motor vehicle liability situation was given here by Sidney K. Howell of Morristown, president of New Jersey Insurance Agents Assn., in addressing the Atlantic County group.

"There appears to be some sentiment in this state for compulsory insurance, and admittedly it sounds good on the surface," Howell said. "Certainly there should be protection for victims of automobile accidents who find those responsible for their injuries or damages are uninsured and unable to pay."

"We of the insurance industry are as anxious as anyone to see everyone insured, naturally. But compulsory insurance is full of loopholes that defeat the very purpose for which it is intended. There is a far better way to reach the objectives sought, and that is what our organization proposes for New Jersey."

Blank Reserve President

Allan S. Blank of Omaha has been elected president of Reserve of Chicago, succeeding T. G. Gaines. Mr. Blank also is president of National Security of Omaha, a mutual specializing in automobile PH. D. for agencies whose business emanates from banks and finance companies. Reserve now also will service the automobile finance field.

Mr. Blank and a group of investors have acquired controlling interest in Reserve. Headquarters will be continued at 180 West Adams street.

Guide for School Covers

School Liability Protection, a handbook to aid school directors and administrators in protecting their districts against casualty losses, has been published by Washington State School Directors Assn. The text followed con-

ferences with insurance men representing all segments of the business and representatives of Washington Assn. of Insurance Agents collaborated in its preparation.

The volume is available to local agents and others interested in the subject and contains suggestions to aid school districts in selecting proper liability coverage.

Program Ready for Group Meeting of A. & H. Bureau

The program has been announced for the seminar on group A. & H. to be conducted Feb. 6-7 at New York by Bureau of A. & H. Underwriters, A. M. Browning, New York Life, is general chairman.

The first morning there will be papers by E. A. Green, John Hancock Mutual Life, on "Full Payment Hospitalization Insurance," and A. B. Hvale, Continental Casualty, on "Blanket Accident & Health Insurance." In the afternoon, A. M. Kunis, U. S. Life, will talk on "Group Coverages on Less than 25 Lives," and M. D. Miller, Equitable Society, will discuss group A. & H. claim trends.

The second morning will be given over to a discussion of catastrophe medical coverages, to be led off with a talk by E. B. Whittaker, Prudential, who will be followed by a panel discussion led by Wendell Milliman of New York Life. Panel members will be J. C. Archibald, Bankers Life of Iowa; J. Henry Smith, Equitable Society; A. M. Wilson, Liberty Mutual; R. J. Walker, Pacific Mutual Life, and Mr. Whittaker.

Seek Higher Limits for Compulsory Minor Cover

Bills have been introduced in New York with substantial legislative support to double to 10/20 the insurance liability limit requirement for auto owners under 21 and to require property damage cover for the first time of \$5,000.

Michigan Bill to Remove Liability Exemption Killed

LANSING, MICH.—The Michigan legislature has killed a measure which would have made possible damage actions against charitable and non-profit institutions found guilty of negligence.

Rep. Cramton of Lapeer sponsored the bill. He said many hospitals, particularly, have been guilty of negligent acts, causing great injury and damage to individuals who have found they had no remedy in the courts.

Opinion in the house was fairly evenly divided, the vote to defeat the measure being 38 to 49.

Publish Bureau Year Book

The 1951-52 Year Book of Bureau of Accident & Health Underwriters has just been published. It contains a list of the committees recently appointed and gives detailed information about the bureau.

Robert Spesock, formerly with the Lloyds department of Swett & Crawford at Seattle, has joined Universal Underwriters, a surplus line brokerage firm at Seattle.

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Bar Auto Restrictions on Servicemen, Students in Iowa

DES MOINES—Commissioner Fischer has issued a new ruling prohibiting endorsements or restrictions excluding students or servicemen from auto liability coverage. He had previously issued such an order but withheld it pending a hearing at which a committee representing some 25 Iowa companies asked him to reconsider.

The latest order prohibits restrictive endorsements if the insured car is driven by a serviceman, a student or person under 25, or restrictive endorsements limiting insurance coverage on a car owned by a serviceman or a student in cases in which the car is driven by some person not a member of the student's or serviceman's immediate family.

Mr. Fischer cited department of public safety statistics on drivers under 25 and said the information filed with the department failed to demonstrate the need for eliminating students and servicemen for automobile coverage.

Adjust Mich. Library Loss

LANSING, MICH.—With a payment by insurers of \$233,326, adjustment has been completed on the loss suffered by the state library of Michigan which had quarters in the state office building here that burned last February.

The coverage was placed largely through the efforts of Michigan Assn. of Insurance Agents and the premium of \$3,013 actually was paid by that organization because no appropriation for the purpose had been made by the legislature. Only the top two floors of the seven-story building burned, but the loss to contents was severe because of the vast amount of water that had to be poured into the building. The library had occupied first floor and basement.

Adjustment was a slow process because virtually the entire stock of books affected by water was removed to various points for drying and reconditioning. Thousands were salvaged, but there was an insurance loss on approximately 77,000 books, most of which were in the basement and had been floating in water.

The association had bound the coverage after an act became effective permitting the placing of insurance on concentrated and excessive risks in state properties. The remaining liability was assumed by the state fire fund. The legislature later reimbursed the association for the premium.

Adjustment was handled by the Lansing and Grand Rapids offices of Western Adjustment.

The companies involved in the payment were Hartford Fire, National Fire, Providence Washington, Fireman's Fund and St. Paul F. & M.

L. E. Barber in New Post

Lloyd E. Barber, assistant manager of Underwriters Adjusting at Kansas City, has resigned to join Burnsworth-Hudgens Construction Co. there.

Mr. Barber has been with Underwriters Adjusting for about 15 years and before that was with Thomas R. Tadlock as a partner for six years and with National Union as a company adjuster for four years. He is a past most loyal gander of Heart of America Blue Goose.

Allyn Speaks at Regional

Commissioner Allyn of Connecticut will be a speaker at the northeastern regional conference of Connecticut Assn. of Insurance Agents Jan. 30 at Wilimantic.

Ask Stiffer New York Paddle

A bill has been introduced in the New York legislature to allow the insurance department to fine a company up to \$1,000 for willful filing of false information. The change is aimed at companies that have been reporting false group life and group A. & H. rates.

The department already has power to

inflict great punishment on insurers doing this such as liquidation, or prosecution, but the \$1,000 fine is deemed more realistic.

Another bill would change the stock corporation law and eliminate insurance companies from the restrictive provisions on office locations now applicable to banks. The department's policy is to grant more latitude about office location to insurers than is permitted to banks.

W. E. King Now Secretary

W. E. King, formerly assistant secretary of St. Paul Fire & Marine, has been elected secretary.

Fischer Buys Bisch Agency

Harry B. Fischer has purchased the agency of the late Homer J. Bisch, former president of International Assn. of A. & H. Underwriters, who was general agent at Toledo of National Casualty 38 years. Mr. Fischer also will represent the Loyalty group. He has been manager of the life department of the G. H. Poulson & Co. agency.

NAIA Contact Group Meets

WASHINGTON—National Assn. of Insurance Agents' trade association con-

tact committee met here Tuesday. Charles H. Frankenbach, Westfield, N. J. is chairman.

Other committeemen and others attending the two-day session of the group succeeding the former speakers bureau committee, were Thomas J. Neff, Wheeling, W. Va.; Herbert R. Walt, Lincoln, Neb.; Maurice Herndon, Washington, representative, and Clarence Rauter, N.A.I.A. director of education.

Discussion concerned development of ways and means of assisting other trade associations in dealing with insurance problems of their members.

The chairman is preparing a report.

Shifts A. & H. Business

Reserve of Chicago has announced that all A. & H., hospitalization and group business will now be serviced through American Income of Illinois, its life subsidiary. Management, personnel and policy forms of American will remain the same and headquarters will be continued at 180 West Adams street, Chicago.

Ill. Tax Revenues Up 7%

Revenue collected by the Illinois Department during 1951 amounted to \$17,-

122,000 an increase of more than 7%. About \$15,600,000 of this was from the premium tax.

There was a 72% increase in the amounts assessed against insurance companies for the cost of examinations. This, according to Insurance Director Day, resulted from an intensification of the examination activities and from a substantial increase in the per diem assessment made by the department.

The department is spending only 5% of the revenues which it collects from insurance sources.

Asks State Fund Monopoly

The 1952 legislative program of the New York state CIO includes a recommendation for the establishment of an exclusive state fund to write workmen's compensation coverage.

According to Louis Hollander, president of the state labor organization, an exclusive state fund, taking over the workmen's compensation field entirely, would result in a saving of \$90 million a year by eliminating the profits, commissions and expenses of private companies and brokers on the present \$300 million of annual premiums.

The CIO also wants increased benefits and state health insurance.



There is a direct, personal way you can reduce accidents. You can sponsor showings of Coronet Films' new "Safe Driving" series of three 16mm sound motion-pictures—three graphic guides to better, safer driving: *Fundamental Skills*, *Streets and Highways*, and *Advanced Skills and Problems*.

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Prospects for War Damage Law Believed Brighter

(CONTINUED FROM PAGE 2)

industry, appraisers and others could be utilized in ascertaining costs, values, etc.

There is a disposition in some quarters to "wait and see" what happens, if anything, before Congress acts. A committee source said that if there were an atomic attack any day, Congress could, and might, pass the budget bureau bill next day—assuming that there were a Congress at that time.

While budget has submitted the proposed war disaster act, it is explained in behalf of that bureau that the bill represents broad recommendations, and that there are areas which might have to be "filled in," others, perhaps, "limited" or eliminated.

Recently a considerable volume of correspondence has been reaching the committee. Some of the writers favor legislation, think something should be done;

others make inquiry or indicate opposition. There is no consensus of public opinion on the subject, it appears to the committee staff from the incoming correspondence. However, this public pressure, on the whole, it is believed, may tend toward bringing about enactment of legislation.

Effect of \$5,000 Limitation

Some sources believed a wrong impression might be created by the last sentence of the joint L.I.A.-A.L.C. statement referring to the budget bill's "limit" of property indemnification to not more than \$5,000 as "unfairly" discriminating against properties of greater value.

It was explained that the \$5,000 limitation proposed related to the first payment on claims for property damage, and other payments could follow. Under the Philippines war damage program it was provided that certain small claims be paid in full and limited payments be made at first on larger claims.

It was pointed out, however, in connection with the budget bill's provision that a bombed industrial plant might be deemed much more important to rebuild promptly than an individual's home, and the \$5,000 limitation might bar plant rebuilding. Committee sources indicated the President would have enough regulatory power under other general provisions of the bill to grant priorities in connection with payment of losses and rebuilding of plants.

The life group's suggestion regarding the \$5,000 limitation was believed based on the probability that most life company loans on mortgages would exceed \$5,000.

Minn. Orders Restrictions on Auto Finance Line

ST. PAUL—Commissioner Nelson has ordered that purchasers of automobiles under contract must be fully informed as to the kind of coverage re-

quired and the cost of the policy to the purchaser, independent of the finance charge. He acted after what he said was "an alarming number of complaints."

When the purchase of a car includes insurance, the seller must furnish the purchaser with evidence of the insurance at the time the sales contract or purchase order is executed.

If the policy covers only direct physical damage the policy must state in red ink on its face that it does not provide third party protection.

The insured shall be given an original policy, clearly stating the coverage within a reasonable time after effective date.

Every policy must be written in accordance with approved rates and rules on file. The car purchaser shall not be required to take insurance through any particular agency or company.

In event of cancellation the unearned premium shall be returned promptly. All policies recognizing the financial interest of lending firms on the automobile covered shall be properly endorsed.

Commissioner Nelson warned that "all future complaints involving the coercion of a purchaser into canceling existing insurance will be thoroughly investigated and such misconduct will be subject to disciplinary action in the suspension or revocation of the insurance license."

H. H. Moore Raleigh Chief

Henry H. Moore has been appointed G.A.B. manager at Raleigh, N. C. He takes the place of John F. Hoff, who will confine his attention directly to loss adjustments. Mr. Moore for 20 years was with Underwriters Adjusting, being assistant manager at the head office when he resigned in 1928 to go to North Carolina in the independent adjusting field. Soon thereafter he joined G.A.B. He has been the assistant manager at Raleigh.

Arkansas Fire Prevention Assn. will assist civic groups in Sheridan and Magnolia in staging citywide fire safety campaigns the week of Feb. 3.

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By H. W. Cornelius, Bacon, Whipple & Co., 135 So. LaSalle St., Chicago
Jan. 22, 1952

	Div.	Bid	Asked
Aetna Casualty	3.00	93	96
Aetna Fire	2.25*	54	55 1/2
Aetna Life	2.50*	85 1/2	87
American Alliance	1.50*	29 1/2	31
American Auto	2.00	39 1/2	41 1/2
American Equitable	1.50	25 1/2	27
American (N. J.)	1.00	22 1/2	23 1/2
American Surety	3.00	52	54
Boston	2.65*	65	67
Camden Fire	1.15*	20	22
Continental Casualty	2.50*	66 1/2	67 1/2
Fire Association	2.60	57 1/2	59
Fireman's Fund	1.60	53	55
Firemen's (N. J.)	.80	23 1/2	24 1/2
Globe & Republic	2.40*	54	55 1/2
Globe & Republic	.80	12 1/2	13 1/2
Great American Fire	1.50*	33 1/2	35
Hanover Fire	1.60	33	34 1/2
Hartford Fire	3.00*	135	137
Home (N. Y.)	1.80	36 1/2	37 1/2
Ins. Co. of North Am.	2.50*	71	73
Maryland Casualty	1.00	21 1/2	22 1/2
Mass. Bonding	1.60	24 1/2	25 1/2
National Casualty	1.50*	26 1/2	29
National Fire	2.50*	61	63
National Union	1.60	40	41 1/2
New Amsterdam Cas.	1.50	34	36
New Hampshire	2.00	41	43
North River	1.20	28 1/2	30
Ohio Casualty	1.20	64	Bid
Phoenix, Conn.	3.00*	85	87
Prov. Wash.	1.50*	28	29 1/2
St. Paul F. & M.	.80	32	34
Security, Conn.	1.60	33	34 1/2
Springfield F. & M.	2.00	44 1/2	46
Standard Accident	1.60	35	36 1/2
Travelers	14.00*	615	622
U. S. F. & G.	2.00	52	54
U. S. Fire	1.40	42	44

*Includes extras.

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NEWS OF FIELD MEN

75 Attend Field Rally in Kansas

The meetings of the Kansas field organizations last week at Kansas City attracted 75 field men. The two-day session included conferences by Kansas Fire Underwriters Assn., Kansas Fire Prevention Assn., and the Kansas Blue Goose.

The meeting started with an introduction of new members to the fire underwriters organization. There are quite a few of those who formerly belonged to Western Insurance Bureau who now are affiliated with the W.U.A. organization, and G. E. Erickson, New Hampshire, president of K.F.U.A., outlined the committee duties and described how the association operates.

In the afternoon there was a refresher course for the fire prevention association members given by Emmett Cox of the fire prevention department of Western Actuarial Bureau. Mr. Cox told how town inspections should be conducted and how the fire hazards should be uncovered.

N. K. Nelson of Great American was

in charge at the public relations committee meeting at which the W.U.A. film, "Introducing the Policymen," was shown. One of the spectators at this session was Alpha Kenna, secretary of Kansas Assn. of Insurance Agents, who assured the field men that the agents will be glad to help out in public relations activities.

Thirteen new members were initiated at the Blue Goose gathering at which C. J. Wintrol, Royal-Liverpool, M.L.G., presided. The initiation ceremonies were followed by a fellowship hour and banquet.

It was announced that the annual meeting of the fire underwriters and the other clubs will be May 13-14 at the Lassen hotel, Wichita.

Mark Scholfield Takes Fish & Schulkamp Post

Mark M. Scholfield, Jr., has joined the Fish & Schulkamp general agency of Madison, Wis., as field man for the inland marine department. He attended University of Wisconsin and saw army air force service. He has been a field man for the N. W. Cady northwestern inland marine office of Phoenix of Hartford at Minneapolis since 1947.

Toledo Meet Caps Aetna Field Regionals in West

The western department of Aetna Fire this week is completing a series of regional field round-ups with a meeting at Toledo. Meetings already have been held at Kansas City and Chicago. H. M. Mountain, vice-president and western manager, presided at each meeting. H. B. Kiefer, western manager of Century Indemnity, also attended each meeting.

Accomplishments and changes during the past year and plans for 1952 were the major topics for discussion.

Missouri Preventionists Name Brooks President

JEFFERSON CITY—Douglas Brooks, Home, St. Louis, was elected president of Missouri Fire Prevention Assn. at a meeting here. Henry Teicher, Royal, Kansas City, was named vice-president; Richard R. Taylor, America Fore, St. Louis, renamed secretary, and Jack H. Littlejohn, North British, Kansas City, elected assistant secretary.

Albert F. Smith, chief clerk of the Missouri department, spoke at the banquet on the handling of agents licenses.

The association will inspect Versailles Feb. 21.

Missouri Fire Underwriters Assn. also met, discussing public relations—attitudes and practices, and the Missouri caravan which is to make its tour of the state in April. Willard Brown, manager Missouri Audit Bureau, St. Louis, spoke on the new forms and the new fire policy. Tom Kingsley, Travelers, St. Louis, and Kenneth Hingst, American, Kansas City, co-chairmen for the caravan, told of the plans for this year's tour.

Wilson Kansas State Agent

Fred Reed, Kansas state agent for Northwestern Fire & Marine and Twin City at Wichita for some years, has resigned to devote his entire time to other business interests in Wichita. He has been succeeded by W. F. Wilson, transferred from Minneapolis, where he had been special agent for northern Minnesota the past two years. He joined the companies at the home office in 1947.

St. Paul Field Conferences

The St. Paul companies will hold their annual field conferences at the home office Feb. 11-Feb. 29, convening in three separate groups. Programs have been arranged under the direction of D. W. Swanson, secretary in charge of agency operations. The schedule in-



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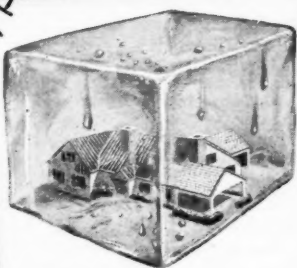
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N. Y. C. Pond Dinner

An initiation will take place at a past most loyal gander night of New York City Blue Goose at the Myers hotel, Hoboken, N. J., Jan. 30. R. F. Stumpf of General Adjustment Bureau at Paterson, N. J., is chairman of the entertainment committee.

Name Burk in Va. Field

American has appointed Richard J. Burk as special agent for northern Virginia, and has opened a new field office at Arlington to service agents in the northern section of the state.

Mr. Burk attended the University of Virginia. During the war he served three years in the navy. He has a wide

experience in the insurance business over a 15-year period with both fire and casualty companies, and has had local agency experience. His address is 1515 North Adams street, Arlington 1, Va.

Hold Okla. Mid-Year Meet

The mid-year meeting of Oklahoma Fire Underwriters Assn. at Lake Murray Lodge drew an attendance of about 55. Discussions were directed by F. O. Cress, St. Paul, president. Important points in new policy forms and changes were explained by L. E. Antene, manager, and J. W. Butler, audit department head of Oklahoma Inspection Bureau.

Blue Goose Brass to Meet

The Blue Goose grand nest executive committee will meet Jan. 28 at Kansas City. This body, which is composed of the top three officers and the grand welder, will be augmented by the pres-

ence of Alex B. Young, Hartford Fire, grand guardian, the number four man, whose Heart of America Pond will be hosts, and by R. A. Kenzel, the retiring grand welder. Robert L. Wiseman, independent adjuster of Washington, is the only grand nest officer who will not be on hand.

There will be a model initiation in the late afternoon followed by a reception for the grand nest officers and a dinner.

Hear Hohenadel in Wis.

MILWAUKEE — Frank Hohenadel, Jr., midwest supervisor for American Foreign Insurance Assn., discussed the potentials of foreign insurance production at the quarterly meeting of Wisconsin Fire Underwriters Assn.

Richard A. Kenzel, Northern Assurance, past president of the association, received a plaque in recognition of his leadership and his efforts in the interests of the organization and the business generally. Mr. Kenzel declined reelection as grand welder of the Blue Goose at the Philadelphia convention last year after a long tenure.

Plans for 1952 of the Wisconsin Public relations committee were discussed by Paul Schrage, Aetna Fire, chairman. He urged wider participation by the field men in the public relations program.

The association is cooperating with Wisconsin Assn. of Insurance Agents and other organizations in plans for a statewide insurance educational program, to be administered by the University of Wisconsin extension division in various cities of the state.

Buffalo Field Club Elects

Buffalo Insurance Field Club has elected these officers: President, John E. Dickinson, Hodgson, Russ, Andrews, Woods & Goodyear; vice-president, Robert W. Zoller, Great American; secretary, Robert Donald, Donald & Stone, adjusters; treasurer, Henry Stiehler, Royal-Liverpool.

Ford Named in Calif.

Ambrose F. Ford has been named by Corroon & Reynolds of California as special agent in the Sacramento Valley and North Coast field. He will have headquarters at San Francisco. Mr. Ford replaces Donald Boone, who is

going into the local agency business at Redding, Cal.

Holmes Gets Field Post

National Union Fire has appointed J. J. Holmes special agent for suburban New York City with headquarters at 88 William street. A coast guard veteran, Mr. Holmes has been in the insurance business for five years and with National Union since 1949 as an underwriter at New York City.

Plan Family Talent Day

The Wisconsin Blue Goose will hold a family talent day in connection with its luncheon at Milwaukee Feb. 9. John Hitt, Aetna Fire, entertainment chairman, said prizes will be awarded for the best amateur talent. The Blue Goose auxiliary has also been invited to attend.

Wickler Shifts to Oregon

Great American has transferred Jay C. Wickler, state agent, from the Arizona to the Oregon field where he will be associated with Herbert Semmelmeier, Jr., special agent, who has been handling the state since Drew P. Lawrence, state agent, was called back into the air corps. Headquarters for Messrs. Wickler and Semmelmeier will be in the Failing building, Portland.

Minn. Winter Splash Feb. 11

Minnesota Blue Goose will hold its winter splash Feb. 11 at the Radisson hotel, Minneapolis. This will consist of an initiation ceremony, a cocktail hour, dinner and business meeting.

Oklahoma Fire Prevention Assn. on Jan. 22 conducted a town inspection of Kingfisher.

Multiple Peril Insurance Rating Organization has elected Jack E. Larson secretary. He formerly was with Atlantic Mutual as an inland marine underwriter. He is a graduate of George Washington University and before the war was a reporter on the Tulsa World. He is an air force veteran. For three years he has been an instructor at the insurance society of New York.

WANT ADS

Rates—\$13 per inch per insertion—1 inch minimum. Limit—40 words per inch. Deadline 5 P. M. Monday in Chicago office—175 W. Jackson Blvd. Individuals placing ads are requested to make payment in advance.

THE NATIONAL UNDERWRITER — FIRE & CASUALTY EDITION

WANTED

Assistant to Manager Special Risk Dept. (direct writing casualty company). Must have thorough casualty underwriting experience and a flair for selling to large risks. Reply to Personnel Dept., Manufacturers & Merchants Indemnity Co., 35 E. Seventh St., Cincinnati 2, Ohio.

SPECIAL AGENT WANTED

To travel Missouri and Indiana for a growing midwest casualty company, writing Automobile, General Liability and Workmen's Compensation. Excellent possibilities for conscientious worker who can assume responsibility. If you are not over 38 and possess insurance experience that qualifies you for this opening, write us in full confidence, giving age, marital status, experience and salary required, etc. Address J-83, The National Underwriter, 175 W. Jackson Blvd., Chicago 4, Illinois.

WANTED

Experienced boiler and machinery claim manager in the home office of midwest casualty company. Address J-68, The National Underwriter, 175 W. Jackson Blvd., Chicago 4, Ill.

ILLINOIS FIELD REPRESENTATIVE

desired by established, well known Bureau casualty company opening branch office in Central Illinois. Several years' contact with agents in Illinois a requisite. Excellent opportunity for man who can qualify. Address J-70, The National Underwriter, 175 W. Jackson Blvd., Chicago 4, Ill.

STATE AGENT — OHIO

EXCEPTIONALLY FINE OPENING IN CLEVELAND AREA FOR EXPERIENCED FIRE MAN, UNDER 45. NO HEAVY TRAVEL. EXCELLENT PLANT AND VOLUME. WRITE IN CONFIDENCE TO THIS TOP FLIGHT STOCK COMPANY, WHOSE MEN ARE AWARE OF THIS GRAND OPPORTUNITY. ADDRESS J-78, THE NATIONAL UNDERWRITER, 175 W. JACKSON BLVD., CHICAGO 4, ILL.

CLAIMS MANAGER — AVAILABLE MULTIPLE CASUALTY & SURETY

Intensive experience, comprehensive qualifications, excellent character and record of achievement in all aspects — home office and field administration. Salary secondary. Address J-81, The National Underwriter, 175 W. Jackson Blvd., Chicago 4, Illinois.

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Is there a forward-looking company, group, society or association that would be interested in CPCU with constructive ideas to head its present or planned research department? I have over nine years' multiple-line experience, and a vital interest in helping to improve present antiquated systems both from expense and underwriting standpoints. Address J-84, The National Underwriter, 175 W. Jackson Blvd., Chicago 4, Illinois.

SPECIAL AGENT — TRAINEE

We will employ two men who have had some fire underwriting experience to train for special agent positions. Splendid opportunity for ambitious young men. Republic Insurance Company, 309 W. Jackson Blvd., Chicago 6, Illinois.

CASUALTY UNDERWRITER WANTED

General casualty experience. Age 25 to 35. Chicago branch office. The Travelers Insurance Co., 175 W. Jackson Blvd., Chicago, (M. G. Bailey) WAbash 2-3000.

SPECIAL AGENT WANTED

Large multiple line Mutual Fire Insurance Company has opening for Special Agent Virginia-North Carolina territory. Excellent opportunity. In reply, state age and qualifications. Replies will be held confidential. Address P. O. Box 2351, Raleigh, North Carolina.

SAFETY AND FIRE PROTECTION ENGINEER
Thoroughly experienced and qualified safety engineer. 12 years casualty insurance experience. 5 years industrial safety and fire protection experience. Now employed as safety supervisor and manager of compensation department with a nationally known manufacturing company. Would like to return to casualty insurance field. Willing and ready to re-locate to any territory in the United States. Address SE-5, The National Underwriter, 99 John Street, New York 38, N. Y.

AUTOMOBILE UNDERWRITER

Excellent opportunity with old established group of Stock Companies in Atlanta for young man capable of underwriting all types of automobile coverage. Please state age, qualifications and experience. All inquiries treated in strict confidence. Address NU-2, The National Underwriter, 432 Hurt Bldg., Atlanta 3, Georgia.

OPPORTUNITY — WOMAN

Chicago Loop Insurance Agency desires woman with good underwriting experience in at least one field (except fire) to supervise rating, billing, filing all policies. Liberal salary. Address J-85, The National Underwriter, 175 W. Jackson Blvd., Chicago 4, Illinois.



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**INLAND, OCEAN MARINE, YACHT,
AND AIR CARGO LINES**

Appleton & Cox, Inc.

111 John Street, New York 38, New York

80th Anniversary Year

NEWS OF THE COMPANIES

Mobile F. & M. Is Renamed Merrimac; Selma New Home

The head office of the company that has been known as Mobile Fire & Ma-

rine is being moved from Mobile to Selma, Ala., and the name is being changed to Merrimac Ins. Co. The office will be at 7 Broad street, Selma. Control of this company was bought in 1950 by Selma people.

Roger Jones, who has been the president, has been succeeded in that position by A. Sigmund Weil. He has been the treasurer. He is executive vice-president of Cawthon-Coleman Drug Co. of Selma.

Binford Secretary-Treasurer

Ralph C. Binford, Miami attorney and a business associate of Mr. Weil, was elected secretary and treasurer.

William Huck is the executive vice-president and manager of the home office. Mr. Jones has become chairman of the board and he with Mr. Weil and Mr. Binford constitute the executive committee.

Morrison Is Elevated by Inter-Ocean Reinsurance

Directors of Inter-Ocean Reinsurance have elected M. Holbrook Morrison, Jr., an assistant secretary. Mr. Morrison started with the company in 1934. He was for three years a lieutenant in the navy during the war. He is a graduate of Coe College and did some postgraduate work in mathematics at the University of Iowa.



M. H. Morrison

DuBois to F. & C. of Conn.

Frederic M. DuBois has been elected executive vice-president and a director of Fire & Casualty Ins. Co. of Connecticut, which will soon begin writing multiple lines. Mr. DuBois has been vice-president of Berkshire Mutual Fire, where he combined underwriting and production duties.

Up to now, Fire & Casualty has confined its writing to automobile physical damage risks. It is licensed in 18 states, and in 1951 wrote \$1,215,000 in premiums.

CHICAGO

Chicago Board to Reelect All Officers

The nominating committee of Chicago Board has recommended that all officers be reelected at the annual meeting Thursday. Edgar O. Stoffels, E. O. Stoffels Co., is president; Waldo B. Ames, Moore, Case, Lyman & Hubbard, is vice-president and Richard T. Magner, Mecker-Magner, is treasurer.

Three new directors are to be elected, and the nominating committee's recommendation is Howard C. Baur, Baur, Christensen & Valentine; Louis P. Cain, Jr., Rockwood Co., and John S. Wine-man, Wineman Bros.

Merlin C. Aleshire, Parker-Aleshire, and E. D. Lawson, Fireman's Fund, are slated for the fire insurance patrol committee. Mr. Aleshire is to be reelected and Mr. Lawson is to replace A. F. Powrie, retired western manager of Fire Association.

EXAMINERS HEAR JANSON

Assn. of Fire Insurance Examiners of Chicago heard Curt E. Janson, assistant chief of the Chicago Fire Insurance Patrol, at its January meeting. Mr. Janson explained the work of the patrol, and related actual conditions found by patrol in covering freak and hazardous fires.

When VALE TECH TRAINS YOUR AUTO-INSURANCE ADJUSTERS



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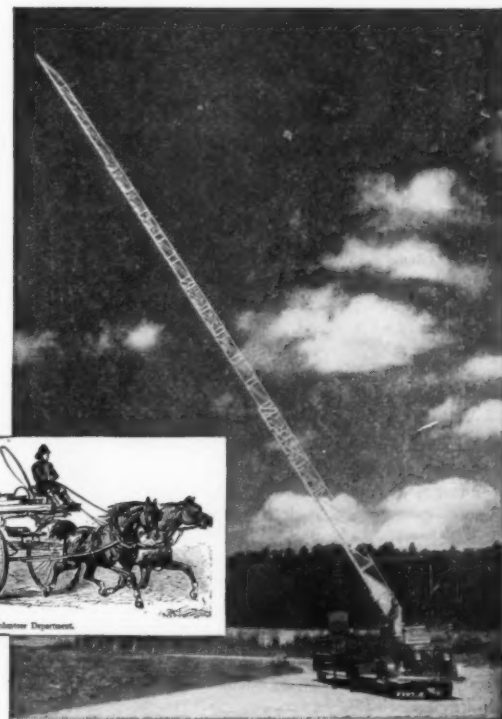
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E. W. BLANCH, Vice-Pres. THOS. M. DARDEN, Vice-Pres.

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EDITORIAL COMMENT

Bureaucracy Is Where You Find It

Business and professional leaders in this country are very much apt to inveigh against bureaucracy, deploring the philosophy, performance and existence of governmental administrative offices at all levels. It is to be hoped that they continue to inform the public of the dangers of rule by bureaus. Yet bureaucracy is not found only in governments and must be guarded against elsewhere. An examination of dictionary definitions of the word "bureaucracy" is interesting. We quote what seems to us a particularly good set of definitions from Webster's New International Dictionary, second edition:

Bureaucracy. 1. A system of carrying on the business of government by means of departments or bureaus, each controlled by a chief who is apt to place special emphasis on routine and conservative action; officialism; also government conducted on this system; hence, in general, such a system which has become narrow, rigid and formal, depends on precedent and lacks initiative and resourcefulness.

2. Similarly, a system of government by bureau heads, responsible only to administrative officers above them, having complete power over subordinates and, in official duties generally, not subject to the common law of the land.

3. Government officials collectively.

Now it is to definition No. 1 particularly that we wish to call attention and to drive home the point that the kind of officialism that one means when using the term bureaucracy in a derogatory sense, as it is most always used today, does not apply only to departments or bureaus of government. Many of us can think of some office or department of an insurance enterprise which is controlled by a chief who is apt to place special emphasis upon routine and conservative action. Too often we know of operations which have become narrow, rigid and formal, which depend on precedent and lack initiative and resourcefulness. Frequently one finds in insurance or any other business administrative officers who have fairly complete power over their subordinates and do not seem to be subject to the common law of public approval.

Any office runs the danger of becoming narrow, rigid and formal, dependent on precedent and lacking in initiative and resourcefulness. The danger in a sense seems especially great in insurance, a business drawing heavily on precedent and experience and a business which is, of necessity, conservative. It is equally obvious that insurance

company home offices must be on guard against engendering in their personnel that state of mind which could properly be called bureaucratic. The dangers of narrowness, rigidity and formality are great to the home office man if he loses his touch with the over-all operations of his company, particularly the selling operation. There is likewise the danger that a branch manager or a general agent will lose touch with the public and hence with the problems of his men meeting the public, the salesmen, claims men or cashiers.

Executive personnel of the many necessary insurance associations which have helped make the business great always are subject to the temptations of bureaucratic thinking. Nor is the curse of the bureaucratic attitude limited to men in high places. A supervisor who loses touch with the problems of his clerks or with an interest in their welfare becomes a bureaucrat. Many of us have had experiences with petty bureaucrats in our contacts with government agencies. We curse the post office or the veterans administration, or what ever agency was the source of irritation but forget to worry about the man with a claim who has felt he has gotten the brush-off from some overly bureaucratic representative of our own company.

Of course there is a check to the bureaucratic attitude in private business. Most companies, while preserving the security of employees, are fighting that growing sort of civil service attitude of "you can't fire me" that we think of being characteristic of government bureaucracy, but can be found anywhere.

Eventually pressure from the field may force a bureaucratic home office official to change his attitude or resign from the company. A trade association official who too long ignores or isolates himself from the problems and wishes of the rank and file of association membership runs the danger of receiving the old heave-ho. Yes, and the trade journal or house organ editor who forgets he's writing for readers eventually finds it desirable to change either his job or his ways. It is important to guard against the bureaucratic attitude on the score of the self-interest of the might-be bureaucrat.

The more important consideration is that individual bureaucracy multiplied is sure to stultify any enterprise, to stifle its initiative, its progress, its responsiveness to human needs.

Then there are the counter-charges by the government bureaucrats them-

selves saying, in effect, that the insurance business is too big, that it is a bureaucracy equipped with a hierarchy interested not in the public or the employees, but in perpetuating itself. By and large, people who come in contact with insurance companies know that these charges are not true, but we must be sure that they are not. One way to do this is to guard against public-careless bureaucracy at any level in the

operation of the insurance process. We must continue to show the public that the insurance business is American private enterprise at its best, conscious of the need to sell itself to the public, armed with consideration for the public, with consideration for its employees and with an interest in the kind of non-bureaucratic attitude that is always bent on discovering new ways to improve service to all.

PERSONAL SIDE OF THE BUSINESS

Maurice J. Hartson, Jr., has been elected president of the New Orleans Community Chest. He is chairman of the property insurance committee of National Assn. of Insurance Agents. Paul L. Godchaux, Jr., of the agency of Eustis & Godchaux, is vice-president of Community Chest and Charles G. Smither of the Smither & Co. agency is a member of the executive committee of the chest.

Commissioner **Joseph A. Navarre** of Michigan, who has been carrying an exceptionally heavy schedule of work in recent weeks, with many speaking engagements, was hospitalized at his home in Jackson over the week-end and will remain away from his office for at least a week. A bulletin issued to the departmental staff stated that his ailment had been diagnosed as "exhaustion" and that a period of rest was mandatory.

Joseph H. Norton, resident vice-president at New York of Continental Casualty, is scheduled to give an address Feb. 12 at the American Management Assn. marketing conference at New York on "Letting the Sales Force Guide Sales Policy."

Wallace Miller, manager of the advertising, publicity and purchasing department at Royal Exchange, is recovering at his home at 115-66 194th Street, St. Albans, N. Y., from severe injuries suffered from a fall on the ice. He will be out two or three weeks more.

Charles V. Jewel of the Critchell Miller agency at Chicago was honored on his 80th birthday by the Illinois committee of the Chicago Assn. of Commerce for 30 years of service to the committee. He was given a plaque inscribed with the names of 63 committee members.

Ellis R. Diehm of the Cleveland law firm of Klein, Diehm & Farber has been appointed chairman of the committee on cooperation with state and local bar associations of the insurance section of American Bar Assn. Deane C. Davis of National Life of Vermont and Lionel P. Kristeller of Newark are vice-chairmen.

Theodore M. Dunlap was elected for his 11th term as a vice-president of North American Yacht Racing Union at the annual meeting at New York. **Percy Chubb II** of Chubb & Son was elected treasurer to fill a vacancy. Mr. Dunlap was named to the executive committee to draft rules for the competition for a cup that was just presented in memory of Clifford D. Mallory, which is to be emblematic of the sailing championship of North America. Mr. Dunlap is head of the independent

adjusting firm of T. M. Dunlap & Co., Chicago.

Roy B. Nienhauser, president of the R. M. Neely Co. general agency at St. Paul, has been elected potentate of Osman Shrine temple.

William D. Winter, former president of Atlantic Mutual, was reelected president of Life Saving Benevolent Assn. of New York at its 103rd annual meeting. J. Arthur Bogardus, chairman of Atlantic, is vice-president of the association and Franklin B. Tuttle, president of that company, secretary. It was organized in 1849 to help save lives on ships in distress off American coasts. Its purpose now is to recognize and reward courage displayed in the rescue of human life from drowning.

I. W. York of the Colby-York agency, Alpena, Mich., formerly an executive with Auto-Owners of Lansing for four years, is the proud father of twin sons, who have been named Donald Larsen and Ronald Kympton.

Leon Irwin, Jr., prominent New Orleans agent, has been elected president of the board of port commissioners of New Orleans.

Field men whose companies are in the Frank H. Hawk agency of Peoria, Ill., gave a party last Wednesday night for **James H. Hawk**, a son and a member of the agency, who is an officer of the 44th division and is to leave shortly for Camp Cook, Cal.

Mrs. Dudley F. Giberson, whose husband operates the Giberson agency at Alton, Ill., has been elected to her third term as president of the Alton Y.W.C.A.

D. M. Ferry, Jr., chairman of Ferry-Morse Seed Co., and also of Standard Accident, in ceremonies in his honor was presented with a scroll giving evidence that he has been designated councilman emeritus of Grosse Pointe, Mich. He had served in the city council from 1920 until last fall when he elected not to run. He provided most of the funds for construction of Neighborhood Club of Grosse Pointe and funds for a library now under construction there. Years ago he provided University of Michigan with an athletic field bearing his name and gave to Detroit the site of Northwestern high school.

Poelnitz Made Officer

Birmingham Fire of Alabama has advanced Henry Poelnitz from special agent to assistant secretary. Mr. Poelnitz will continue field activities, traveling the company's entire territory.

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Howard J. Burrledge, President.
Louis H. Martin, Vice-Pres. & Secretary.
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DETROIT 26, MICH.—413 Lafayette Bldg., Tel. Woodward 3-2826. A. J. Edwards, Resident Manager.

KANSAS CITY 6, MO.—605 Columbia Bank Bldg., Tel. Victor 9157. William J. Gessing, Resident Manager.
MINNEAPOLIS 2, MINN.—558 Northwestern Bank Bldg., Tel. Main 5417. Howard J. Meyer, Resident Manager.
NEW YORK 38, N. Y.—99 John Street, Room 1103, Tel. Beekman 3-3958. Ralph E. Richman, Vice-Pres.; J. T. Curtin, Resident Manager; Donald J. Reap, Eastern News Editor.

PHILADELPHIA 9, PA.—123 S. Broad Street, Room 1127, Tel. Pennypacker 5-3706. E. H. Fredrikson, Resident Manager.

PITTSBURGH 22, PA.—503 Columbia Bldg., Tel. Court 1-2494. Jack Verde Streup, Resident Manager.

SAN FRANCISCO 4, CAL.—507 Flatiron Bldg., Tel. Exbrook 2-3054. F. W. Bland, Pacific Coast Manager.

DEATHS

ROY F. OWEN, 50, Portland, Ore., who headed an adjusting company there, died following a heart attack. He was general chairman for the Portland meeting of National Assn. of Insurance Commissioners.

WILLIAM A. TWAMLEY, 60, retired New York City manager of National Surety, died at his home at Floral Park, L. I. He graduated from Calvert College at Baltimore, and during the first war was a captain in the infantry. He entered insurance with Fidelity & Deposit at Brooklyn in 1922, and went with National Surety there in 1928. He was appointed New York manager in 1938.

GORDON T. MUNROE, 51, associate manager of Hartford Fire at Philadelphia, died in a hospital there. He had been in the insurance business there since 1920, starting with Henry W. Brown & Co. He was past most loyal gander of Penn pond of Blue Goose.

M. O. HARRISON, 53, vice-president of Seaboard Finance Co. and president of Balboa of Los Angeles, a Seaboard subsidiary, died at his home in Coronado del Mar, Cal., of a heart attack.

PAUL L. BACKMAN, 52, manager of the insurance department of General Mills, one of the most widely known insurance buyers in the midwest, died of a heart attack while attending a golf meeting. He was one of the organizers and a past president of Insurance Buyers Assn. of Minnesota and was active also in National Assn. of Insurance Buyers. He was a frequent speaker before insurance groups.

ANDREW R. SEXTON, who retired in 1947 as secretary of Aetna Casualty in the fidelity-surety department, died at his home at Farmington, Conn., at the age of 75. He attended University of Wisconsin and received his law degree from Chicago Kent college of law. He had been with the Aetna organization 35 years. At one time he was vice-president of Aetna Indemnity at New York. He was the first manager of Aetna's fidelity-surety department. In 1915 he was elected assistant secretary

and in 1920 he was named secretary. He was the author of an underwriting manual on fidelity and surety bonds that was published by Aetna in 1927.

ROBERT WATSON, 64, principal surveyor of American Bureau of Shipping at New York City, died at his home at Eatontown, N. J. After serving as chief operating engineer of a troopship during the first world war, Mr. Watson joined the bureau of shipping and had served in several of its offices.

STEWART MAUNSELL, 69, New Orleans local agent, died at his home there. He had been ill about two months. Mr. Maunsell had been in insurance in New Orleans since 1904 and had operated his own agency since 1924. He was president of New Orleans Insurance Exchange in 1934.

ROBERT H. PERDUE, senior partner of the Cleveland local agency of Perdue & Ketchum, died at his home at the age of 77. He had been in the insurance business at Cleveland since he was graduated from Yale in 1896. The firm of Maxson, Perdue & Ketchum was organized in 1919. Mr. Perdue was a former president of Insurance Board of Cleveland.

ROBERT E. FORRESTER, for 27 years with General Adjustment Bureau, died at his home at Rochester, N. Y. He had been in the insurance business 30 years. He joined G.A.B. in 1924 and had been manager at Rochester since 1938.

FRANK E. JENKINS, 73, a former eastern New York State manager of the Royal-Liverpool Group, died in a New York City hospital. He retired in 1944 after having been with the company more than 25 years. A member of the E.U.A., he had been first vice-president of the Queen at one time.

BERNARD H. WOOD, 39, New England manager of Great American, died at a New York City hospital. He was well known as a polo player and amateur sportsman. During the last war he was with the American Field Service of the British Eighth Army.

HENRY C. MOLES, 62, who retired in 1950 after almost 50 years in the business, died. He was an assistant secretary of the arbitration committee of New York Fire Insurance Exchange. He entered the business at age 12.

JOHN N. BRUSHINGHAM, 54, Wisconsin state agent of Globe & Rutgers, died of a heart attack at his home Monday morning. Mr. Brushingham, a graduate of Duke University, started in insurance with Marsh & McLennan of Chicago, and later was Illinois state agent of Continental. He joined Travelers Fire in 1926 as manager of the Milwaukee office, and in 1936 went with Globe & Rutgers as state agent in Wisconsin, Minnesota and northern Michigan. He was promoted to assistant secretary at the head office but later returned to the field as Wisconsin and northern Illinois state agent. Five years ago he reduced his territory to cover Wisconsin only.

LEWIS S. MUSGROVE, assistant manager of the southern department of U. S. Guarantee, died at his home at Atlanta at the age of 52. He was a graduate of Washington & Lee and had been with U. S. Guarantee 14 years.

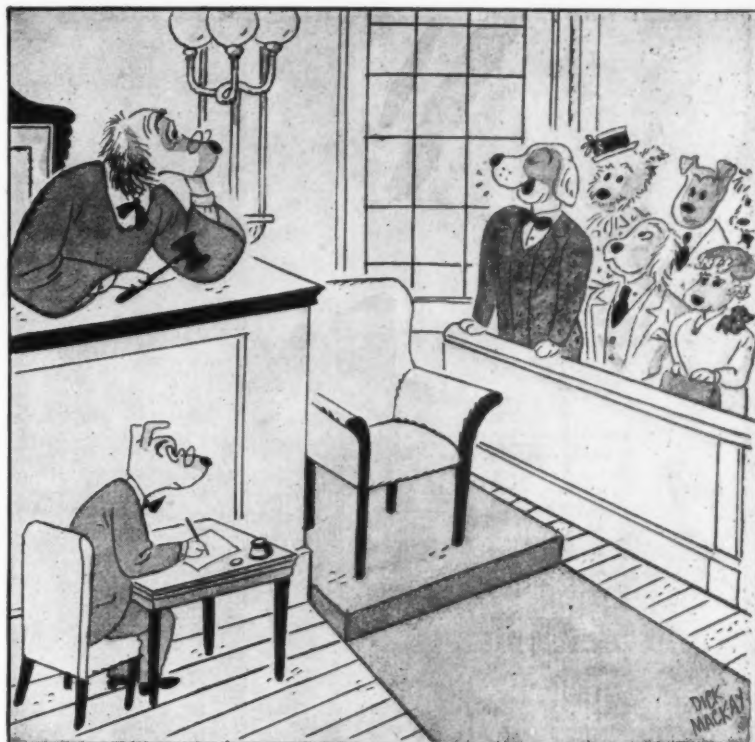
MRS. PEARL IVERSON TURLEY, who died of suffocation as a result of fire in her apartment at Minneapolis, had been employed by Underwriters Adjusting at Minneapolis 25 years. Her age was 54. Funeral was at Fargo, N. D.

FRED P. WILBER, 81, local agent at Ypsilanti, Mich., from 1911 until 1947, died after three years' illness. He entered agency work with his father in 1890. He served for two years as president of the Ypsilanti Assn. of Insurance Agents.

FRANK R. THOMPSON, 44, local agent at South Bend, Ind., died there in his automobile as he was being taken from his office after suffering a heart attack.

MISS NELLIE GIFFORD BROWN of Saginaw, one of the pioneer insurance agency women of Michigan, died at the age of 89. She had lived at the Billings Convalescent Home, Millbrook, for some time, having been disabled in 1941 by a fall in which she suffered a hip fracture.

(CONTINUED ON PAGE 31)



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LONDON GUARANTEE & ACCIDENT CO., Ltd. PHOENIX INDEMNITY CO.

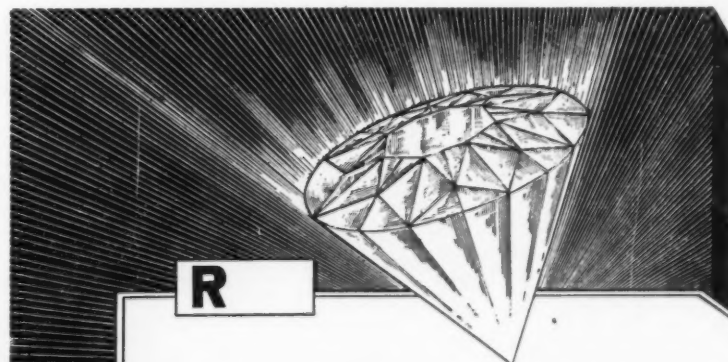
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Insurance Companies Assured of Equality With Blue Cross

Conference Between Life Insurers, WSB Staff Clears Welfare Plans Treatment

The concern which many insurance people felt because of the apparent bias in favor of Blue Cross welfare plans contained in the recently issued wage stabilization board regulation and resolution has been made needless as a result of conferences between representatives of Life Insurance Assn. of America and American Life Convention and members of the WSB staff.

The outcome is that the usual type of insurance company group hospitalization and A. and H. coverage, as well as the typical Blue Cross plan, will be approved by the WSB.

Most of the concern was about section 3 B in the WSB resolution accompanying the regulation. This says, "hospital expense—any unusual type of benefit, e.g., special nursing, full payment for private room, blood plasma, treatment of tuberculosis, nervous or mental cases for a period in excess of 30 days for each confinement, rest cures."

The WSB has now given assurance that it will interpret the word "unusual" in the above to mean unusual for Blue Cross, and require their consideration on an individual case basis only where Blue Cross is the insurer. Features that are unusual for Blue Cross but typical of insurance company plans will not necessitate individual consideration for the latter, unless the special features are mentioned specifically. Ordinarily they are not. However, hospital expense policies providing benefits for other than room and board of more than 50 times the policy's daily rate for room and board will be subject to special scrutiny by the WSB staff.

Hospital Expense Bulletin

A joint A.L.C.-L.I.A. bulletin sent out this week states: "Hospital expense policies may either limit reimbursement to the cost of semi-private care, or specify an amount of daily benefit for room and board comparable to the level of the prevailing semi-private charges in the area of employment. For the latter purpose, it will facilitate processing of proposed plans if the filing is accompanied by evidence of the charges being made by hospitals in the area."

Section 3 C of the review criteria provides that surgical expense insurance containing any unusual type of benefits must also, in general, be subject to individual case approval. Major surgery at the patient's home or doctor's office is given as an illustration. It is not anticipated, however, that this provision of the resolution will prevent approval under the 30-day procedure of policies which do not restrict the place where the surgery is performed.

Companies May Submit Policies

An insurance company may submit its standard surgical insurance policies for approval by the WSB staff, and such approval may carry with it a determination that no feature of the surgical coverage will be considered unusual. Companies should send their surgical policies or riders to the joint A.L.C.-L.I.A. Washington office, 1000 Vermont avenue, N.W., Washington 5, D. C., which will

(CONTINUED ON PAGE 31)

Associated Is on the Plane Crash at Elizabeth

Associated Aviation Underwriters has the hull, public and passenger liability, and workmen's compensation coverage on the American Airlines twin-engine Convair plane that crashed at Elizabeth, N. J., killing 23 on board and five other persons in the buildings struck by the plane in its fall.

This is the same type plane that crashed into the East River in New York several weeks ago. These hulls are valued at around \$450,000. The public liability loss exposure on this crash will be greater than it has been in many previous losses because of the deaths and the property damage caused when the plane hit the crowded residential area.

Associated is gathering its policies to ascertain its trip ticket accident coverage.

Irving Coonrad, who was assistant director of policyholder relations for the Ohio Farm Bureau insurance companies, was one of the passengers that was killed.

Ray Murphy Faces Up to Arguments for Compulsion

NEW YORK—Compulsory automobile liability insurance, which has been proposed for New York state, is not the answer to public protection against the economic results of traffic accidents, according to Ray Murphy, general counsel of Assn. of Casualty & Surety Companies, who addressed the annual meeting of the insurance law section of New York State Bar Assn. Mr. Murphy charged that a compulsory law would be attended by evils that would outweigh its benefits. A compulsory law, he said, would be subject to irresistible political pressures and would inevitably tend toward state insurance and state bureaucracy.

Under New York's present financial responsibility law, Mr. Murphy said, an estimated 94% of motor vehicles registered in the state in 1950 were broadly covered by automobile third party liability insurance. In the same year, 7,200 uninsured motorists deposited security exceeding \$1,300,000 to cover damages for which they might be held responsible as a result of accidents in which they were involved as owners or operators, he said, and about 22,500 uninsured New York motorists in 1950 filed releases with the commissioner to show they had settled claims resulting from accidents.

"So the gap has appreciably narrowed," Mr. Murphy declared. "It will never completely close and cannot be closed completely by any provisions of a compulsory liability insurance law."

Mr. Murphy suggested that "the best way to obtain fullest performance under any automobile liability insurance law, whether it be voluntary or compulsory, is to reduce to an irreducible minimum the accidents on our streets and highways."

"Even if a compulsory insurance law were capable of doing everything its supporters claim, it would still underwrite a national calamity that in volume grows worse every year," Mr. Murphy stated. "The evil will remain, and it will stay with us until police and courts join to punish traffic law violators sternly and impartially, without fear and without favor; until legislators and local authorities face up to the fact that we need stricter driver licensing laws, a motor vehicle inspection law, and safe driver training courses in every high school."

Mr. Murphy alluded to the North

Travelers Writings Top Half Billion

Written premiums of the Travelers companies in 1951 totaled \$543,965,000, a gain of \$76,847,000 over the 1950 figure. It was the first time in the 88 years of the group the written premium total exceeded \$500 million.

Written premiums for 1950 and 1951 were:

Life	\$165,896,000	\$178,430,000
A. & H.	79,652,000	103,319,000
Liab. and P. D.	21,844,000	27,119,000
Automobile	166,237,000	123,648,000
Work. Comp.	42,053,000	52,021,000
Burg. & Glass	6,901,000	9,479,000
Boiler & Mach.	7,373,000	8,142,000
Fidelity-Surety	4,256,000	5,152,000
Fire & Allied		
Lines	26,445,000	29,593,000
Inland & Ocean		
Mar.	6,461,000	7,062,000
Total	\$467,118,000	\$543,965,000

Keep Plugging Auto "Comp"

NEW YORK—The Citizens Union here has asked Governor Dewey to recommend legislative investigation of the feasibility of setting up a compensation plan for auto accident victims similar to that under workmen's compensation.

Dakota unsatisfied judgment fund, similar to that found in some Canadian provinces. This aimed at closing the "gap" and completely to solve the problem. "I believe it to be obvious that in a state where a large percentage of motorists were uninsured, the cure would be worse than the disease," he said. "But even in a state such as New York, where a very high percent are insured, the plan appears to be fundamentally unsound. It would be inequitable in that it would tax persons insured to pay the obligations of those who fail to insure. While this tax, probably in the form of a fee to be exacted from each motorist, might be considered small in itself, one inescapable result of a law such as now exists in North Dakota, Ontario, Manitoba and Alberta, is that the government would be put squarely into the automobile liability insurance business. The fund must have the right to defend where defendant fails to do so. These cases would be numerous, particularly where non-residents are involved. The fund would have to maintain an investigating staff, prepare for trial, and try cases. It would seem to be a natural consequence that plaintiffs' attorneys' fees would be limited and fixed by will of the court. In Ontario, for example, if in a given case \$5,600 is paid out of an unsatisfied judgment fund, the solicitor would take \$800, and the client would get \$4,800. The fund would necessarily operate in the fields of claims and litigation just as a private carrier would. Thus another bureaucracy, with all the tendencies of bureaucracies to expand and enlarge their powers, would come into being."

Faces Pertinent Questions

Mr. Murphy said he desired to face frankly two highly pertinent questions posed by proponents of compulsion, which go to the very heart of the matter:

Why do opponents object to a compulsory law for 100% of New York motorists when 94% are insured now under a law that might be said to be, in effect, compulsory as to them?

Why are the 94% not entitled to protection from that undetermined percentage of the 6% uninsured, who are not financially responsible?

"I cannot laugh off these questions.

(CONTINUED ON PAGE 27)

Employees Loot TV Firm of \$500,000 Almost wreck It

Service Guarantee and Fidelity Bond Losses Will Be Heavy

NEW YORK—A huge loss, estimated at \$400,000 to \$645,000, was caused Conlan Electric Co. by employees systematically looting it of TV parts in the past five years. The losses have forced the company, one of the largest TV servicing concerns in the business, to file a petition in the federal court in Brooklyn for reorganization under the bankruptcy act.

Two insurance losses are involved. The concern had the credit type bond guaranteeing fulfillment of its service contracts with Massachusetts Bonding and Manufacturers Casualty, and it had a \$15,000 blanket position bond in indemnity of North America. Under a proposed agreement Massachusetts Bonding and Manufacturers Casualty would furnish capital, possibly \$100,000, to set up M. & M. Television Service, Inc. This would be operated by the Conlan company and would take care of the service contracts. The agreement has to be approved by the court and representatives of the company's numerous creditors.

20,000 Contracts Guaranteed

There are approximately 20,000 contracts to service TV sets, 90% of them sold through leading New York and Newark department stores. These contracts were guaranteed by the bonding companies, the remaining contracts with householders were not. However, it is understood the new servicing company would meet all outstanding contracts but will accept no new accounts.

The 200 employees in the TV servicing division of the company, which has branches in Manhattan, Bronx, Queens and Nassau County, were covered by the blanket fidelity bond. This may run into a substantial liability, since the \$15,000 maximum is the limit on the liability of each employee, to an amount which it can be shown the employee stole.

The depletions in stocks since 1947 were revealed by an inventory last July. About \$195,000 of the loss occurred in the first seven months of 1951. The tremendous shortage came to light when the company took inventory in preparation for applying to the Securities & Exchange Commission for permission to make a public issue of stock.

It is reported that 37 employees have admitted complicity in the thefts. Tape recordings of testimony of employees were turned over to the district attorney in Brooklyn, which has been investigating.

The stolen parts were in many cases, resold. In other instances, they were used by employees in businesses which they themselves conducted on company time or after hours. One employee is said to have sold stock to other employees out of the company's stock room; others sold to customers of the company, giving no bills and keeping the cash, and often the company bought the same parts over and over again. There was large scale falsification of installation and delivery records.

Nathan Korn, attorney for the TV company, is quoted as stating that other

(CONTINUED ON PAGE 31)

Nine Continental Casualty Career Officials Advanced

Seven Are in Various A. & H. Divisions, Two in General Casualty

Impending promotions for nine company career men has been announced by Continental Casualty. Official action will be taken at the annual meeting. The promotions are necessitated by plans for further expansion of the company's business, which last year exceeded \$115 millions in net premiums written.

Louis C. Morrell, vice-president, will become second vice-president and a director. He thus becomes closest associate of J. M. Smith, first vice-president,



L. C. Morrell



R. W. Harvey

who is executive head of the A. & H. department.

Armand Sommer, manager of the intermediate A. & H. division, is to become executive assistant vice-president, directly responsible for the intermediate, wholesale, disability, commercial and railroad divisions, the A. & H. divisions writing individual coverages.

Robert J. Glasgow, superintendent of the aviation accident division, also will become an executive assistant vice-president, responsible for the aviation and special risks divisions, as well as for the company's growing participation in the reinsurance field.

Joseph H. Norton, resident vice-president of the metropolitan New York office, will be promoted to the newly created position of resident vice-president in executive charge of all A. & H. activities in the eastern territory.

In further A. & H. promotions, Frank



R. E. Vollriede



F. V. McCullough

V. McCullough, superintendent of the special risks division, is to become an assistant secretary.

John T. Flood, assistant superintendent of the aviation accident division, will succeed Mr. Glasgow as superintendent of that division, and Walter Goodman, New York regional manager of the general group division, is being transferred to the home office. After Feb. 1 he will assume responsibility for all union and negotiated group welfare plans, under the direction of W. E. Racine, superintendent of the general group division.

In the miscellaneous casualty depart-

ment, R. E. Vollriede, executive assistant vice-president, is being transferred to New York City as resident vice-president of the metropolitan New York branch. He will assume responsibility for all lines written by Continental Casualty in the New York City area, with special emphasis on A. & H., and will also handle executive assignments in the eastern territory.

R. W. Harvey, assistant vice-president, will become an executive assistant



George A. Smith



Armand Sommer

vice-president, succeeding Mr. Vollriede as executive assistant to F. M. Roesing, vice-president in charge of all miscellaneous casualty underwriting. He will also continue agency activities he has handled. George A. Smith continues as vice-president in charge of miscellaneous casualty and surety agency functions.

Mr. Morrell joined Continental in 1945 to launch the special risks division. For two years after his graduation from University of Southern California in 1924 he was with Rule & Son at Los Angeles. He was with Fred S. James & Co., W. A. Alexander & Co. and Starkweather & Shepley at Chicago and for 12 years headed A. & H. individual and group operations of Marsh & McLennan, specializing in setting up special risks contracts. Starting from scratch, in four years he built Continental's special risks division to a \$3 million annual premium business. In 1949 he was made assistant to Vice-president Smith and one year later vice-president.



R. J. Glasgow



J. H. Norton

Mr. Sommer has been with the Continental staff 19 years and in insurance for nearly 30 years. He graduated as an actuary from University of California. He was with Standard Accident at Chicago and Detroit and Home Indemnity at New York before joining Continental in 1933, a few years later becoming assistant to the vice-president in charge of A. & H. underwriting. In 1942 he became manager of the intermediate division. He developed an entirely new and efficient agency organization on a country-wide basis and built it into Continental's second largest A. & H. division. Last year he also assumed executive responsibility for the wholesale division.

Mr. Glasgow started with Continental on graduation from Dartmouth in 1930, as an underwriter in the liability and workmen's compensation departments. Four years later he became assistant to the manager of the casualty special risks and reinsurance division and manager in 1937. For the next seven years he handled casualty reinsurance as well as special assignments for the miscellaneous casualty departments. He has headed the aviation accident division since its formation in 1944.

Mr. Norton entered insurance in 1929 after graduation from Minnesota University, as a casualty field assistant. He was for eight years a broker at Chicago with Moore, Case, Lyman & Hubbard,

ASSOCIATION CHOICE

Boate Succeeds to Harvey's Accident Prevention Post

Thomas N. Boate, director of public safety of Assn. of Casualty & Surety Companies since 1944, has been named manager of the association's accident prevention department, succeeding Julien H. Harvey, who retired last month. John V. Grimaldi, director of the industrial division, has been appointed assistant manager of the department.

Mr. Boate had been closely associated with Mr. Harvey in the department's highway safety work, supervising its numerous programs in behalf of high school driver education, periodic inspection of motor vehicles, traffic engineering and agent participation in safety efforts. He has been acting manager of the department, at the same time carrying on his own duties as its public safety director, since Mr. Harvey retired recently.

Mr. Boate was a captain of the Pennsylvania state police, in complete charge of the traffic division, when he joined the accident prevention department of the association in 1944. He has written numerous articles on traffic control and highway safety and is active on many important national committees and organizations engaged in accident prevention work. He served in the navy in the first war.

Mr. Grimaldi, who will continue his present responsibilities in industrial safety work in addition to assisting Mr. Boate, has been with the association as director of the department's industrial division since 1945. He is a graduate of New York University. Before joining the association he was with Scully Steel Products Corp. and directed the safety programs of the Grumman Aircraft Engineering plant at Bethpage, L. I.

joining Continental in 1943. He became associate manager of the Chicago branch office and in 1944 was transferred to New York, where he became resident vice-president in charge of the metropolitan department.

Mr. McCullough joined Continental in 1945, after serving with the marines in the Pacific. After two years at the home office he was transferred to Los Angeles, where he built a notable volume of special risks and aviation accident business. He became superintendent of the special risks division in 1949.

Mr. Flood started as an underwriter for a brokerage firm specializing in auto insurance and then became an agent. He spent three years in the air force, one year in the insurance branch, and joined



John T. Flood



Walter Goodman

Continental in 1946 as an aviation accident underwriter. He spent a year at New York coordinating aviation accident operations there and returned to the home office in 1948. Since then he has been chief underwriter and assistant superintendent of the aviation and foreign travel accident division.

Mr. Goodman, in insurance since he left college, joined Continental in 1944 as group representative at New York. At that time he operated as a one-man office but developed the group business to a point where within a few years it demanded a growing personnel of some

Cooperation with Plaintiff Attorneys Illusory: Sedgwick

Apparently referring to a recent talk before the same group by Mel Belli, well-known plaintiff's attorney, who asked for the cooperation of insurance men in discussing "mutual problems," Walter E. Sedgwick of Keith, Creede & Sedgwick, insurance attorneys, a former company claims executive, told Casualty & Surety Claims Assn. of San Francisco that "no one would welcome true cooperation more than all of us in the insurance industry, but it must work both ways." He said, however, that under the circumstances as indicated, the "day of such real cooperation has not yet arrived."

"Rarely are you given a real opportunity to effect a reasonable settlement prior to filing of a complaint. It is also noticeable that it is difficult to make an early settlement of any but poor cases from the standpoint of the plaintiff, and this is particularly true if the amount involved should happen to be large."

Mr. Sedgwick also questioned the advocacy by plaintiffs' attorneys of the selling of high limits of P.L. insurance. He said that urging the public to carry higher limits is no answer to the present problem, which includes the trend toward higher rates for such limits and the difficulty in obtaining adequate reinsurance for such limits.

Urges Publicity on High Fees

He also questioned the program of plaintiffs' lawyers for the "adequate award" saying that the corollary of the "adequate award" is the "excessive fee." He said their insistence in demanding high percentage for fees often results in delays of settlements because the companies are loath to pay when there is little money left to make the settlement attractive to the injured plaintiff.

"Publicity and educational campaigns along this line can be of great help in solving our present problems. It might open the eyes of many prospective jurors if they realized just what the true situation was."

Mr. Sedgwick pointed out that verdicts up to \$150,000 are no longer newsworthy—but that plaintiff's attorneys insist that such verdicts are a step in the right direction.

"The relationship between high verdicts and the ever-increasing cost of automobile insurance should be plainly shown," he said. "We need an effective, planned and cooperative program along this line."

He said insurance should organize and vigorously oppose legislation to establish the principle of comparative negligence in California, which he believes would tend to increase claim settlements and costs still farther, and declared that plaintiffs' attorneys are behind the campaign for such legislation.

40 men and women.

Mr. Vollriede started in the railroad A. & H. collection department in 1926, was soon transferred to burglary underwriting and by 1936 had become manager of burglary and plate glass. He was named vice-president of Transportation in 1940, assistant secretary of Continental Casualty two years later. In 1951 he was advanced to assistant vice-president in charge of casualty and surety branch office underwriting operations, and later to executive assistant vice-president.

Mr. Harvey, whose father represented the company in Wisconsin for many years, joined Continental in 1932 after nine years of special agency work for other companies. Initially he traveled extensively throughout the mid-west from the home office, but was soon transferred to Cleveland as executive field supervisor for Ohio. He returned to the home office as agency secretary in 1938, was promoted to assistant superintendent of agents in 1944 and last November was named assistant vice-president.

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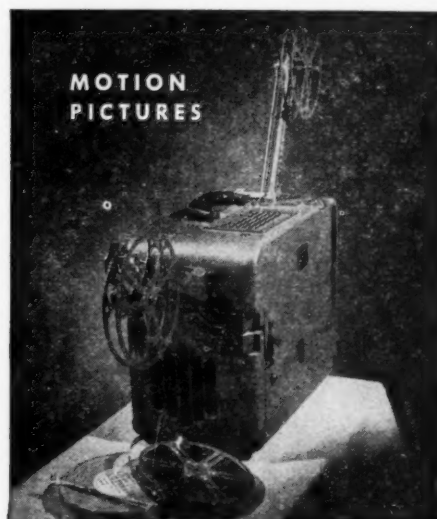
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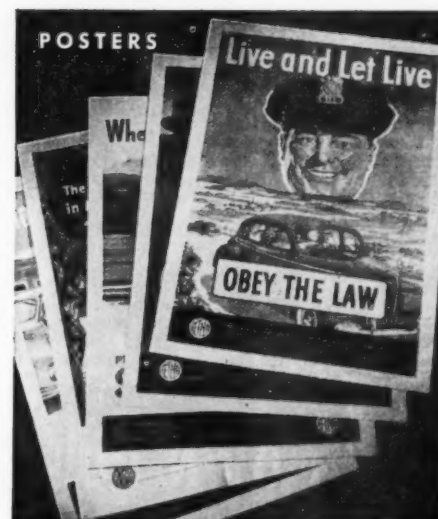
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How Aetna Loss Prevention Service
helps agents



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— **HOME OFFICE SALES COURSE** — many graduates report that this intensely practical course advances success from three to five years.

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Most agents today can offer good insurance and prompt, efficient service. Customers expect these things and sound counsel as well. But, you need something *more* to set yourself apart and above your competitors.

An effective public-relations program throughout your community offers exceptional opportunities for this purpose. The extensive and in many ways unique loss prevention material which Aetna offers its agents provides the means.

Using this material, an agent opens up broad new fields for cultivation . . . sows the seeds of goodwill throughout his community . . . attracts favorable attention from influential business and civic leaders.

Included are instructive, dramatic motion pictures in sound and full color . . . spectacular action displays . . . intriguing driver testing devices . . . and a wide range of interesting, informative booklets and folders.

Through its powerful public-relations effect, a loss prevention program returns rewards out of all proportion to the time and effort required. As a regular and continuing activity of an agency, it promises rich harvests of — New contacts . . . New friends . . . New prospects . . . New earnings.

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The Aetna Life Affiliated Companies write practically every form of insurance and bonding protection

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IN LOSS PREVENTION

SEEK U.S. LEGISLATION

Sureties Share Contractor's Alarm in Wunderlich Case

Surety companies are interested in the attempts of Associated General Contractors to get federal legislation neutralizing the Supreme Court decision last November in the Wunderlich case. This held that on contracts with the government there may be no judicial review of findings of facts by the head of a governmental department, except in cases where fraud on the part of the government can be alleged and proved.

This means, it is said, in a dispute with a contractor a government official may on changes in plans, or specifications, for instance, cut down what the contractor claims is due him. If a surety has bonded the contractor and perhaps advanced him money and he has done extra work and is not allowed additional compensation by the government, it may tie up the contractor's funds and jeopardize the surety's interest. Several hundred of these cases involving potential jeopardization of the surety are now pending.

Another government agency, the general accounting office, is also disturbed by the ruling and is making a study of it. That office fears that the government may be embarrassed if some contracting officer, in good faith, allows too much. In the eastern district of Pennsylvania, the decision has already been applied and, in that instance, the loss was the government's, not the contractor's.

The contractors are up in arms about the situation.

Henry D. Sayer, general manager of New York Compensation Insurance Rat-

ing Board, is chairman of a committee planning a testimonial dinner Feb. 5 for Frederic G. Elton, retiring chief of the rehabilitation division of the New York state department of education.

Reduce Tax Claim on American Fidelity & Cas.

More than \$1 million of the \$3,211,738 the federal government claimed as due in back taxes from American Fidelity & Casualty has been abated, according to Irvin S. Markel, president. Mr. Markel said he has been notified that the government has "abated completely" the 1949 tax and penalty assessed against the company Dec. 29. The amount involved for that year, according to the government, was \$1,354,239. The action does not affect the balance of taxes claimed due from American F. & C., "nor do we admit there is any balance due the government," Mr. Markel said.

A lien for income taxes was filed against American F. & C. in federal district court at Richmond, Dec. 29, and was lifted a week later when the government was assured the company had posted enough bond to protect its interest. Liens were filed at that time also against Markel Service, Inc., and Samuel A. Markel, chairman of the companies. The lien against Markel Service was \$1,228,422, and against Mr. Markel, \$1,826,406. Neither of these liens have been lifted.

Mass. Stock, Mutual Truce Off and Then On Again

Stock and mutual interests got back into a truce relationship in Massachusetts after baring fangs at one another legislatively for a brief moment.

The truce threatened to fall apart when there was introduced a bill to permit mutual companies to establish any classification they desire for policy

dividends. Apparently in retaliation there was filed a bill to limit the surplus of mutual casualty companies to 25% of average annual premium writings. Such a bill used to be introduced in the legislature under the auspices of Service Men's Protective Assn.

However, before either of these measures came to hearing they were withdrawn. Edward F. Connelly of American Mutual Alliance withdrew his bill, and Benjamin B. Priest, general counsel of Massachusetts Bonding, withdrew the stock company measure which he said he had filed as a private citizen.

FDIC Comes to Rescue

Federal Deposit Insurance Corp. has put up \$844,000 to protect depositors of Thomasville, Ala., Bank & Trust Co., where last month a shortage of around \$800,000 came to light. The bank has closed and a new one, Bank of Thomasville, opened to replace it.

The shortage was disclosed after an investigation of an RFC loan to the Stutts lumber industries of Thomasville. U.S.F. & G. had an \$80,000 blanket bond on the bank.

Favors Higher Rates

Rates for excess liability limits on automobile policies should be substantially increased and certain underwriting restrictions modified, according to W. F. Stanz, president of Brooklyn Insurance Agents Assn. He said present excess limits are outmoded because jury verdicts now are so much higher than they were 10 years ago. Juries know most auto owners carry higher limits, he said, because they are so cheap.

He said companies should place more reliance on the underwriting abilities of smaller agents who know their brokers and insured, and that they should revise the automobile policy to make misrepresentations by the driver on his accident history grounds for voiding it.

Big Bond at Seattle

Continental Casualty has executed a 100% performance bond for Strand & Sons of Seattle on their contract for construction of additions to the Boeing engineering building and plant at Seattle. The contract price is \$3,379,000. The case was supervised by Len Grewe, Seattle manager of Continental. This being a private rather than a governmental contract, the bond is particularly noteworthy.

Makes Full Restitution

J. M. Potter, real estate operator, has turned over to Syracuse Trust Co. a total of \$1,684,765, full restitution of overdrafts he was charged with making, according to an attorney for Potter. The

latter and two former bookkeepers for the bank were scheduled to go on trial this week in the federal court at Syracuse on charges of conspiracy and misapplication of bank funds. There are 16 persons under indictment in the case which involved a loss of \$2,400,000. Fidelity & Deposit was the originating company on the bank's blanket bond of \$600,000.

American F. & C. Case in D. C. Is Before Court

American Fidelity & Casualty has been given two weeks by Federal Judge Morris at Washington to file briefs in its resistance to Superintendent Jordan's move to revoke its license in the District of Columbia. Then the district government will be given two weeks to reply.

American Fidelity & Casualty is operating presently under a temporary restraining order. It made a motion for a preliminary injunction pending a trial on the merits.

Mr. Jordan charges that there was not filed with him complete details on the agreement between Safeway Trails Bus Co. and American Fidelity & Casualty and Markel Service. He alleged that American F. & C. was evading District taxes since only 5% of the amount paid by the bus company to Markel Service was allocated to American F. & C. as premiums.

Richard Galiher and S. Harrison Kahn argued for the company before Judge Morris while Assistant Corporation Counsel Milton D. Korman argued for the District.

Contending the suit should be dismissed, Mr. Korman read the contract upon which the revocation order was based. The judge appeared to indicate he thought the contract was one of insurance. The company claims it is not.

In proceedings before Mr. Jordan the company had indicated willingness to pay a fine.

A. F. Lafrentz Is Saluted

A. F. Lafrentz, president of American Surety, recently celebrated the 20th anniversary of his election as the company's president. At a luncheon he was presented a scroll by Wm. E. McKell, first vice-president, who acted as master of ceremonies. C. H. Hall, vice-president and secretary, presented the president with a Lucite paper weight in which a sterling silver seal of American Surety was imbedded.

Set Accountants Dates

Insurance Accounting & Statistical Assn. will hold its annual convention at the Netherland Plaza hotel, Cincinnati, May 19-21.

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Murphy Argues Against Auto Liability Compulsion

(CONTINUED FROM PAGE 23)

Yet, I contend that the distinction between adequate financial responsibility laws and an outright compulsory law is not a mere matter of semantics, and that the freedom of choice for the safe-driving motorist in buying or not buying insurance is still an important choice, and that when that freedom is gone another long step will have been taken toward the socialization of this country, generally, and of the insurance industry, particularly. If it be said that the present New York financial responsibility law amounts to compulsion for many motorists, it may also be said that the compulsion is not by law, but is the compulsion of prudence and a sense of responsibility. It is the prudence of a man yet able to decide for himself where his responsibility lies.

Fundamental Difference

"If it be said that adding, under a compulsory law, the mere 6% of motorists not now insured, to the 94% of motorists now insured in New York, will not increase materially such pressure on rates as may now exist, I say this argument ignores the fundamental difference between compulsion by the letter of law, and the choice still remaining to the individual under existing law. I say that argument ignores a fundamental characteristic of the American people and the fundamental character of American institutions. I say it ignores the character or lack of character of the financially irresponsible uninsured and their capacity for mischief and political skullduggery; if it is that small group who cause trouble now, how much will they compound that trouble when they must insure? And if the alternative be more compulsion—100% compulsion—I am free to predict that we will have sold another part of our birthright for a mess of bitter potage. And I say that a perfectly understandable irritation with the uninsured motorist on the part of the insured does not afford a sound reason or basis for flying to evils, known and unknown, that well may follow (as they have followed in Massachusetts) the enactment of a compulsory automobile insurance law in New York, particularly when it can be said with certainty that such a law will not fully close the so-called gap, cannot wholly solve the problems involved, may continue to divert attention from the real culprit—motor vehicle accidents—and like any other law, cannot achieve the millennium.

"The ultimate test is the public interest. But what is the public interest? I submit that compulsory automobile liability insurance will be attended by evils which will outweigh its benefits, will be subject to irresistible political pressures, will inevitably tend toward state insurance and state bureaucracy. And I submit that will not best serve the public interest."

Besides Mr. Murphy Joseph P. Craugh, attorney for Utica Mutual, talked on the problem of war-caused injuries in New York state.

Superintendent Bohlinger of New York and Miss Mary Donlon, chairman Workmen's Compensation Board, spoke briefly. James B. Donovan, general counsel of National Bureau of Casualty Underwriters, is chairman of the section.

Mich. Auto Insurers Against Hike Excess Limits Rates

LANSING, MICH.—Most of the Michigan auto-writing companies: members of Michigan Bureau of Casualty Companies, have decided against increasing excess limits rates on auto liability, it was announced by Walter Munyon, bureau manager. The 14 member carriers have some \$75 million of business in force.

The action was taken at a special meeting called by Mr. Munyon at the request of the carriers. A resolution was discussed and adopted expressing the

members' belief that it would not be wise at this time to boost liability rates on excess limits policies. E. L. Brandt, president of the rate bureau, said the only increase ordered in this category in recent months was in Texas a few weeks ago.

Prepare to Sell Stock

It is expected that Insurance Director Day of Illinois this week will sign a certificate of authority for the solicitation of stock subscriptions for a new accident and health company to be

domiciled at Chicago, and to be known as Income Indemnity. Lee Crouch, who has been connected with All-American Casualty of Chicago, is the principal factor in this. The program calls for the sale of 100,000 shares of \$1 par value stock at \$3 per share to produce \$100,000 capital and \$200,000 net surplus.

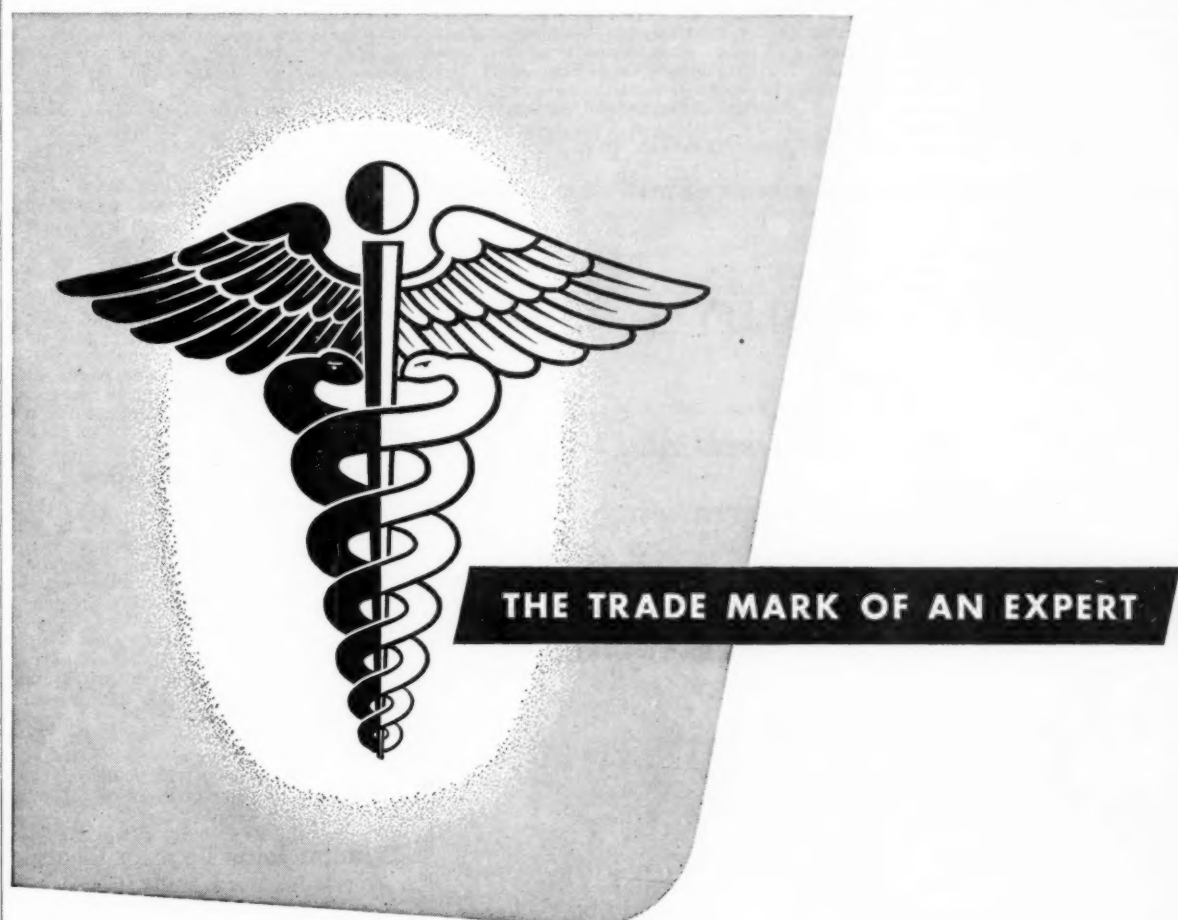
Propose Civil Defense Cover

A bill to insure civil defense workers while engaged in training, mock raids or on duty in actual enemy attacks will be

introduced in the New York City Council to protect volunteer workers, according to Arthur W. Wallander, director of civil defense. At present there is no insurance for volunteers except auxiliary firemen and members of rescue squads. A bill is pending in the New York legislature to include auxiliary police in this category.

Compulsory Bills in Ky.

Compulsory auto insurance bills have been introduced in the Kentucky legislature.



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ACCIDENT AND HEALTH

Dewey Asks Increase in D. B. L. Payments in N. Y.

Governor Dewey has asked the New York legislature to increase the statutory weekly payments under the disability benefits law from \$26 to \$30 weekly. He asked no change in the \$10 minimum weekly benefit.

In asking for the revision, the Governor said the cost of the insurance program has been lower than original estimates. He believes it should be possible to increase the benefits without raising contributions of employees, now fixed at a maximum of 30 cents per week. The change will make the cost to employers the same as that to employees, according to Assemblyman Lee B. Mailer, Orange, majority dealer of

the assembly, who was co-sponsor of the law in 1949.

At present the cost to employees is slightly higher than to employers for statutory benefits. The original plan assumed an equal cost division.

More Meetings Planned on Credit Insurance Rules

The zone 3 N.A.I.C. committee on credit life and disability insurance will probably have several more meetings before it recommends definite rules to the zone 3 commissioners at their meeting at Panama City, Fla., April 24-25. The committee had a session with industry representatives during the time of the meeting of Consumer Credit Insurance Assn. at Miami Beach, and the

commissioners learned in considerable detail what goes on in the practical selling of credit insurance and the operating procedures of various companies. Members of the industry and the committee agreed as to certain general principles that should govern the writing of this type of insurance, but no regulations were adopted.

Hike Blue Cross N. Y. Rates

The New York department has approved rate increases attributed to higher medical and hospital costs for Associated Hospital Service (Blue Cross) and United Medical Service (Blue Shield), effective May 1. No changes have been made in benefits.

The new monthly hospital rates for group membership are \$1.60 for an individual, up 36 cents, and \$4.36 for a family, an increase of 80 cents. New rates for non-group membership, payable on a quarterly basis, are \$6 for an individual, compared with \$4.50, and \$15 for a family, as against \$12.15. Because of poor experience, the husband and wife classification has been eliminated and will now be covered on the family basis.

New monthly rates for surgical coverage are 68 cents for an individual, up 12 cents; \$1.60 for husband and wife, up 32 cents, and \$2.88 for a family, up 32 cents. New monthly rates for surgical-medical coverage are 88 cents for an individual, up 16 cents, \$2 for husband and wife, up 36 cents, and \$3.40 for a family, up 44 cents.

Navarre Is Flint Speaker

Commissioner Navarre of Michigan department, addressing Flint Assn. of A. & H. Underwriters, endorsed a year-long city-wide traffic accident reduction campaign here. The association is co-sponsoring the program with the city police.

The meeting was attended by members of Flint Assn. of Fire & Casualty Underwriters and by individual agents from Lansing, Bay City, Grand Rapids and Detroit.

Commissioner Navarre said he felt "groups like this have a definite purpose and public duty" and that public education and interest are essential to enforce laws.

Duncan Joins Loyalty Group

Ronald H. Duncan has been appointed A. & H. supervisor at New York City for Loyalty group.

Mr. Duncan for the last two years has been in charge of the metropolitan A. & H. division of Phoenix-London group. Born in Great Britain, he came to the United States after the last war and joined Phoenix-London at New York City. He is secretary of A. & H. Club of New York.

Whorf Speaks at Hartford

William H. Whorf, consultant of Life Insurance Agency Management Assn., will address Hartford A. & H. Underwriters Assn. at its luncheon meeting Jan. 25.

He will discuss the activities which L.I.A.M.A. has recently undertaken for its member life companies writing A. & H. business.

Income Guaranty Elects

Income Guaranty of South Bend has elected H. J. Alley president; Erna V. Whiting and George Corell, both of Niles, Mich., vice-presidents; and Robert A. Knapp, secretary-treasurer. The board of directors comprises the four officers with Robert J. DuComb, South Bend; Roy Robinson, Niles, and Emil Lambertson, Lansing, Mich.

Publish Bureau Year Book

The 1951-52 Year Book of Bureau of Accident & Health Underwriters has just been published. It contains a list of the committees recently appointed and gives detailed information about the bureau.

Cairns Joins Federal L. & C.

J. A. Cairns has been named superintendent of the claim department of Federal Life & Casualty. He has been for five years supervisor of group claims for Great-West Life. He is a fellow of Life Office Management Assn.

Time Reports Good Gain

Time of Milwaukee reports an increase of \$500,000 in premium volume to a record high of \$2,873,000 in 1951. Catastrophic loss hospital coverages in the commercial field were credited primarily for the increase in production.

Thomas E. Callahan led in new business produced and was second in total volume, and David Schwid was leader in volume in force, both for the fourth consecutive year.

Sterling has declared a dividend of 10c a share, payable Jan. 28 to stock of record Jan. 25.

ASSOCIATIONS

Frank Runey Heads Mich. Casualty Managers Group

DETROIT—Frank E. Runey was elected president of Casualty & Surety Executives Assn. of Michigan at the annual meeting. Frank W. Locy, Standard Accident, was elected vice-president and Harris B. Carr, Fidelity & Casualty, secretary.

Mr. Runey is a former president of Chicago Casualty Managers Assn.



Frank E. Runey

Phila. Claim Men Elect

Peter P. Conway, Eureka Casualty, was elected president of Philadelphia Claim Assn. at the annual meeting. Vice-president is Eugene C. Bonniwell, Travelers, and secretary is M. B. Fox, U. S. Casualty.

New members of the executive committee are E. J. Bradley, Century Indemnity; R. B. Cotton, Fireman's Fund Indemnity; P. J. Donnelly, National Surety, and D. J. Trimarco, Harleysville Mutual Casualty.

Beckstedt Heads Claim Unit

Carl A. Beckstedt, Liberty Mutual, was elected president of the Milwaukee Casualty Insurance Claims Managers Council at the annual meeting, to succeed H. E. Steffen, Employers Liability. Others named were E. L. Krensin, Maryland Casualty, vice-president, and C. A. Christensen, Hardware Mutual Casualty, secretary-treasurer.

To Plug Mass. Loophole

Massachusetts Automobile Rating & Accident Prevention Bureau is taking steps to eliminate a loophole in Massachusetts automobile liability insurance which may leave a policyholder liable for accidents occurring while his car is operated by a garage, service station or parking employee, Benjamin B. Priest, general counsel of Massachusetts Bonding, stated at a meeting of the legislature's insurance committee.

A bill had been introduced to prohibit the exclusion in the present compulsory policy under which at least one policyholder was sued by her insurance company for reimbursement. This suit later was dropped.

The loophole doesn't affect the right of a third party to recover in case of an accident while the car is being driven by a garageman. In such a case, however, the insurer may seek reimbursement from its policyholder.

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NEW YORK

CHANGES IN CASUALTY FIELD

ACCENTS GENERAL LINES

National Casualty Opens Ohio Branch in Expansion Move

CLEVELAND — National Casualty has opened a branch service office for lines other than A. & H. in the National City Bank building here. A. L. Stewart, with 15 years' experience in the field representing various casualty companies in Ohio, is the manager. Most recently he has been special agent for General of Seattle. This office will provide service for most of the Ohio agents.

National Casualty intends to expand its casualty facilities in Michigan, Ohio, Illinois, Indiana, Wisconsin, western Pennsylvania and western New York. The Cleveland office is the first of several branch service offices for the casualty lines to be opened in these states.

E. C. Lynch Claims Head of General Accident Group

Edward C. Lynch has been appointed manager of the claims division of General Accident and Potomac. He is in charge of the claim program under the general direction of General Counsel Harold Scott Baile. He has been superintendent of the automobile and liability claims department.

William Plotts is named head of the casualty claim department. Since 1947 he has been superintendent of the compensation claim department.

E. Ellsworth Keeley, associate counsel, is appointed supervisor of the legal unit of the casualty claim department.

Joseph V. Wright is named supervisor of the automobile and liability claims unit. Frank O'Donnell becomes supervisor of the compensation unit and Charles Sperr is now supervisor of the physical damage unit which embraces automobile physical damage, burglary and glass and subrogation matters.

Mr. Lynch got his law degree at Syracuse university and was admitted to the New York bar in 1917. He was in law practice at Syracuse and then was with Travelers for a time. He went with General Accident in 1920 in New England and has been at the head office since 1923.

Mr. Plotts was educated at Philadelphia and was with Jefferson hospital and college there for many years. He went with General Accident in 1932. He served four years in the army as executive officer of the Jefferson hospital unit and returned to General Accident in 1946.

Mr. Keeley has been with General Accident since 1938, Mr. Wright since 1935, Mr. O'Donnell since 1938 and Mr. Sperr since 1933.

Four New Claim Offices

New claim service offices have been opened by Hartford Accident at Santa Rosa, Cal.; Columbus, Ga.; Rome, Ga., and Salisbury, Md. Hartford now has 194 claim offices in the United States. The Santa Rosa office will handle the counties of Marin, Sonoma, Lake and Mendocino. Peter O. Hanford is in charge. At Columbus, Ga., Robert F. Elliott is in charge. The Rome office is under William B. Lambert. John L. Farrell, Jr. is in charge at Salisbury.

B. H. Smith New President of Medical Protective

Byard H. Smith, vice-president since 1938, has been elected president of Medical Protective of Fort Wayne, Ind. He succeeds Byron H. Somers, presi-

dent for 30 years, who was named chairman.

B. Robert Lancaster, vice-president since 1949, was elected secretary, succeeding Harry W. Ginty, who became vice-chairman after serving as secretary for 30 years. Fred E. McLucas, in the company's law department since 1918, was elected vice-president, and Thomas J. Hoehn, manager of the Chicago office, was elected assistant secretary.

Trucksis Sales Promotion Head

William O. Trucksis, supervisor of sales advertising and publicity for Ohio Farm Bureau companies, has been promoted to director of sales promotion. A graduate of Ohio State University, he joined the group in 1943 as a research assistant.

Nitsche to Cravens, Dargan

Edward Nitsche, formerly special agent in east Texas for Fidelity & Casualty, has been named special agent in north Texas for Cravens, Dargan & Co. of Houston. He will have headquarters

at Dallas.

J. W. Gallagher, with Aetna Casualty at Milwaukee for five years, has become a partner of Walter C. Rhodes in his agency at Madison, Wis. He is a graduate of University of Minnesota and the Aetna training school.

Nebraska 1752 Club Elects

Robert S. Sommerville, Employers Mutual, Lincoln, has been elected president of Nebraska 1752 Club. He succeeds Maynard V. Mills of the Mills agency, Lincoln. Harold J. Aegerter is vice-president; Herman Reifschneider, secretary, and William W. Jones, secretary.

New House Organ Editor

Paul D. Schmanska has been appointed editor of the Beacon, employee publication of the Travelers companies. He succeeds George Malcolm-Smith, recently appointed editor of Protection, Travelers sales magazine.

Mr. Schmanska was graduated from Bates College in 1946 and joined the publicity department of Travelers in 1950.

COMPANIES

James Roosevelt New Head of L. A. Auto Insurer

James Roosevelt has been elected president of Interstate Indemnity of Los Angeles. Thomas D. Wakeling, who has been a factor in automobile dealer insurance, is secretary and general manager, and M. C. Plumley is treasurer.

Control of this company was sold by Ray Rosendahl & Associates. Interstate Indemnity is at 714 South Hill street.

Mr. Roosevelt recently formed a connection on the coast with American Fidelity & Casualty. He has handled quite a volume of insurance connected with credit unions and has placed considerable business with Republic Indemnity of Arizona.

Dissolve Dover Casualty

Dover Casualty which served as a reinsurer of General Public Utilities Corp. and its affiliated companies, has now been dissolved. The headquarters were at 835 Tatnall street, Wilmington, Del. At Dec. 31, 1950, the assets were \$601,-

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And make sure he insists on the same quality and brand of glass that was in his car originally. Then you can be sure that he's getting full value and you're getting what you pay for.

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554, capital \$250,000, net surplus \$177,600. Premiums earned—\$5,858, underwriting loss was \$95,294, losses incurred \$82,862. There was a decrease in surplus of \$107,504. The company had been in operation since 1931.

To Enter Two New States

Universal Surety of Lincoln, Neb., which now operates in Nebraska, Iowa, Kansas, Missouri and South Dakota, is planning to enter Colorado and Wyoming.

Temperance Insurer in Okla.

Preferred Risk Mutual of Des Moines has been licensed to write automobile liability and property damage in Oklahoma. Tom Foster, Norman, was appointed state director.

The company will write only non-drinkers. Applicants for policies are required to state that they will not take a drink of alcoholic beverages while the policy is in force. Its rates are 25% lower than those established by the state insurance board. Safe drivers will be rewarded with a 5% reduction each year for the first five years.

COMPENSATION

"Comp" Rate Increase of 7.5% Is O.K.d in Okla.

Oklahoma insurance board has approved a 7.5% hike in workmen's compensation rates, effective Feb. 1. Although considerable opposition to the increase had been voiced by Oklahoma industries, insurers had maintained that rates must be increased if they are to continue writing this type of coverage in Oklahoma, in view of the excessive losses experienced. Figures were submitted showing loss ratios ranging from 70 to 80%. Last August the board granted a 9.7% raise.

Major attention centered around the \$13,500 death benefit clause in the new workmen's compensation law of Oklahoma at a meeting of the legislative council insurance committee at Oklahoma City.

It was found, however, that labor, management and insurers were not prepared to make proposals for its revision until decision is reached in the test case now pending before the state supreme court.

A proposal was submitted by Roger Swan, Tulsa, member of the management committee, proposing revision of the law that would permit insurance

companies to join the injured person or his heirs in recovery of a judgment from a third party.

"Comp" Bill in Michigan

LANSING, MICH.—Sen. Ryan, Detroit, has introduced a bill under which workers suffering disability as the result of negligence by a third party would be permitted not only to accept workmen's compensation but to sue the third party for damages. The negligent person would be subject to suit also by the employer or insurer for any compensation payments. Election between accepting compensation benefits or bringing suit is now required. It would also boost the maximum benefit scale from \$24 to \$36 weekly for injured employees with a single dependent, with a scale of \$32 to \$48 for those with five or more dependents.

Seek Changes in R. I. Law

Several changes in the Rhode Island workmen's compensation law are embodied in bills introduced in the legislature. They would make workers collecting compensation ineligible for state cash sickness insurance payments at the same time and also provide for review by the superior court instead of the director of labor when change in the incapacity of a worker is claimed as well as superior court validation of agreements compromising any disputed claims to compensation after evidence is taken in open court.

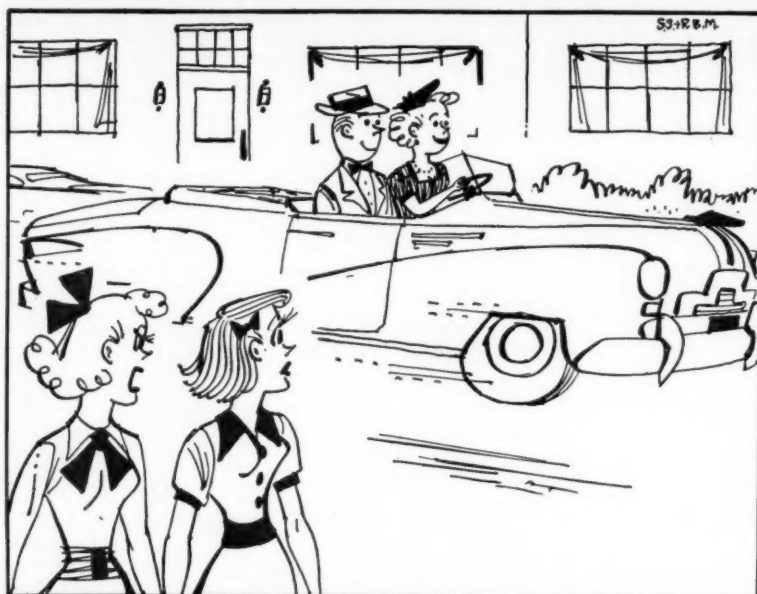
Knutson on Wis. Commission

Reuben G. Knutson, workmen's compensation claims manager for Hardware Mutual Casualty, Stevens Point, has been appointed a member of the Wisconsin state industrial commission. He succeeds the late C. L. Miller, Delavan. Mr. Knutson served on the commission from 1921 to 1933.

Norvell Pontiac President

Ralph Norvell of the Austin-Norvell agency has been named to succeed Maynard Johnson as president of Pontiac (Mich.) Assn. of Insurance Agents. Frank Anderson is new vice-president; Edward Andrews of the J. L. VanWagoner agency, secretary, and Charles Eaton has been shifted from secretary to treasurer. Mr. Eaton, 86, has been secretary of the board since it was organized in the '20s.

Robert Green, formerly special agent of North America, has gone with the Picton-Cavanaugh agency at Toledo.



"AND HE PASSED ME UP FOR HER JUST SO HE COULD KEEP HIS AUTOMOBILE INSURANCE RATE DOWN."

S. C. Safety Responsibility Is Bill Expected to Pass

It is almost certain that the South Carolina legislature which is now in session will enact an automobile financial safety responsibility bill. This corresponds very closely to the latest version of the model legislation. There is every evidence that this session of the legislature will be one of the shortest in years.

Pay Motor Vehicle Shortage

JEFFERSON CITY, MO.—National Surety has sent the state of Missouri a check for \$9,726 to cover most of the \$10,238 shortage in the state motor vehicle registration department, although Director of Revenue Bates has said he does not know the person or persons who took the money. National Surety provided the blanket bond that covers all employees in the department. The \$9,726 check is being held until another item for \$512 that involves interstate transactions is cleared up.

A. J. Snow, manager of Oregon Insurance Rating Bureau, spoke at a meeting of Salem Lions Club on fire insurance rating.

'Caused By Accident' Issue Is Won by the Insurer

An example of the kind of situation that could be covered in a policy that protects against the consequences of an "occurrence" and one that protects against the consequences of an "accident" is found in the case of U. S. F. & G. vs. Briscoe et al., which has been decided in favor of the insurer by Oklahoma supreme court. The case is reported in 7 CCH (Fire & Casualty) 702.

In this case a road contractor insured by U. S. F. & G. was sued by members of a family that claimed they were inconvenienced and damaged by cement dust that settled about their premises over a period of several months from a cement loading mill operated by the contractor. The family charged that cement saturated the air, including house, clothes, food, rugs, draperies, plants, trees and shrubbery, and aggravated sinus trouble and pneumonia.

Insurer Denies Liability

U. S. F. & G. denied liability and refused to defend the suits brought against the contractor. The question is whether the injuries and damages were caused by accident.

The court said an accident within the policy is a distinctive event that takes place by some unexpected happening the date of which can be fixed with certainty. Here the court said there is not the least lingering semblance of any sudden event, any unforeseen occurrence or any unexpected happening which took place during the unloading or handling of the cement by contractor during the four months period involved. The claims asserted against the contractor were predicated upon a series of acts which continued approximately four months and at all times voluntary, intentional, tortious and wrongful, resulting from negligent conduct of contractor. Doubtless these could have been abated by injunction. In any event they were not caused by accident in any sense of the word. Both the means and result were in no sense accidental.

Saval Buys Building

Maurice H. Saval has purchased the six-story building at 22 Batterymarch street, Boston which was formerly the Exchange Club and that was converted into an office building several years ago. The Saval organization occupies the top floor. It is a direct correspondent of London Lloyds, and Mr. Saval is president of American Universal of Providence and vice-president of New Foundland American of St. Johns, New Foundland.

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Selling Task**

With sound Protection
at a
Savings to Policyholders

Companies Win WSB Equality

(CONTINUED FROM PAGE 23)

submit them to the proper official on the WSB staff.

"Surgical schedules approximating those of local Blue Shield prepayment surgical plans are within the criteria of section 3 C of resolution 78, it is our understanding," the A.L.C.-L.I.A. bulletin says.

"Poliomyelitis and other special or new types of benefits will be considered only on an individual case approval basis, until such time as an automatic approval pattern may be adopted.

"If the employees pay the full cost of coverage, in the case of coverage on dependents, for example, such coverage is of no concern to the WSB.

"It is our present understanding that if a benefit is increased under an existing health or welfare plan, the 40% employee contribution rule applies to the cost of the combined old and new coverage and not just to the cost of the additional benefit. Each major line of insurance, however, will be considered separately."

SSB jurisdiction as well as those subject to WSB regulations it would be necessary to get the salary board's approval before putting the complete plan into effect. However, it would be possible to go ahead under the WSB procedure as far as workers under its jurisdiction are concerned by including a provision in the plan that the benefits applicable to employees subject to salary board regulations will not be paid until the plan has qualified under the requirements of the salary board. Benefits could then be paid retroactively from date of installation or modification.

It is not expected that the salary board will have its regulations ready before Feb. 1. They might differ in some details from those of the wage board. It is expected that they will be drawn to permit more reliance on automatic approval, as the salary board operates with a much smaller staff.

Employees Loot TV Firm of \$500,000; Almost Wreck It

(CONTINUED FROM PAGE 23)

companies in this field are being systematically looted of inventory and of funds; the condition is very prevalent in the industry. He suggests legislation requiring employees to furnish security

as to fitness and qualifications of trustworthiness, and licensing of companies that engage in this kind of work.

Underwriters in the fidelity field say there is a rising incidence of multiple losses under the blanket position bond, which provides that the penalty is multiplied by the number of employees who steal. If it can be shown that employees at the Conlan company were in collusion, with the size loss there the maximum of \$15,000 might be payable on each employee. If there were 30 employees, this could amount to \$450,000. This would be true even if there were a differential in the split among the employees. If the employees operated individually, the surety would pay what each took.

Need to Specify Amount

Sureties generally start out on the premise that they will not recognize unsupported confession, particularly as to the amount involved, because of the approximate way in which such amounts are arrived at. Their contention is that insured should be able to demonstrate from its books the exact amount of loss. Of course, if this cannot be done, then the matter goes into negotiation. Examples of multiple loss under blanket position bonds that have oc-

curred in several companies in the past year or so include one \$15,000 bond involving 13 employees for a total loss of \$69,000; another, \$7,500 bond, four employees, total loss \$30,000; \$5,000 bond, four employees, loss \$20,000; \$2,500 bond, seven employees, loss \$17,500; \$2,500 bond, four employees, loss \$10,000; \$2,500 bond, 40 employees, \$35,000, a compromise.

Most of the Conlan employees were class C, for which no premium charge is shown.

Moves to New Building

Maryland Casualty has moved its San Francisco office from its own building at 210 Sansome street to a new building at 350 Sansome street, which will also accommodate other companies planning to move. Maryland is occupying the ground and mezzanine floors.

Argonaut Ins. Co., exclusive compensation writer, has taken over the ground floor of the former Maryland building.

V. J. Chatelain Is Named

Verdun J. Chatelain has been appointed superintendent of casualty insurance at the Oklahoma City office of American Surety.

DEPENDENT STATUS

An article in THE NATIONAL UNDERWRITER for Dec. 28 said that no approval would be required if employees paid 40% of the gross cost, but did not make it clear that this means 40% of each part of the coverage and not merely 40% of the entire program.

The article also indicated that plans within the WSB regulation may contain the same coverages for dependents as for employee. This is true only where the employee pays at least 40% of the gross cost for the dependent benefit coverages. Dependents are limited to spouses and to other dependents not more than age 19.

As respects plans installed subject to board approval, the bulletin says: "We understand that the staff is empowered to approve plans installed since the original wage freeze, if installed subject to WSB approval. Provided such plans contain a condition that no benefits will be paid prior to board approval, it is believed they will be approved if they otherwise satisfy GWR 19 and Resolution 78.

"We are informed that advance copies of the petition form will be available very shortly, but a printed supply will not be available in quantity until perhaps as long as two weeks."

The salary stabilization board is not expected to issue its parallel rules and regulations until February. Until such new rules and regulations appear, the SSB is still operating under existing rules and regulations.

Where plans involve employees under

DEATHS

(CONTINUED FROM PAGE 21)

She started work in an agency founded by her father and brother in 1888, remaining in the office for some 30 years and operating the business for some years after the death of her father. She sold the agency in 1918.

LEON B. MORSE, 65, retired local agent at Brownsville, Ore., died following a heart attack. He retired in 1950 when he sold his agency to Burl M. Davis.

WALTER H. FLIETH, 69, founder and president of Flieth Insurance Agency, Wausau, Wis., died after an illness of several weeks. He became an agent of Great Northern Life about 30 years ago. Later he purchased the Frank Petrick agency and formed the present firm, in which two of his sons, Herman and Charles, are associated. Mr. Flieth was a past president of Wausau Insurance Board and was active in Wisconsin Assn. of Insurance Agents.

VIC S. HODGIX, veteran local agent at Wichita and prominent in activities of many Masonic bodies, died suddenly.

EDWARD G. LOWRY, 69, local agent at Port Angeles, Wash., died.

PERCY ALLWORK, 55, New York City insurance broker for 30 years, died.

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INSURANCE NEWS BY SECTIONS

MIDDLE WESTERN STATES

M. L. Arndt Forms Own Adjusting Firm at Wausau

M. L. Arndt has organized an independent adjustment office in the Mueller building at Wausau, Wis. He is operating as M. L. Arndt Adjustment Co. He recently resigned from Employers Mutuals of Wausau where he was a claim examiner, adjuster and training instructor for all claim personnel on property damage and collision losses. Prior to that he was with Western Adjusters as a general adjuster at Minneapolis and at LaCrosse, Wis. He has had 12 years' experience in loss work.

Mich. Groups Seek Unified Policy on Legislation

LANSING, MICH.—An approach to a unified policy on legislative matters was made at an "all-industry" committee meeting. The conference included some 30 representatives of all elements of the business and all classes of carriers, including company executives and field men. Merrill G. Craft, Jackson, president of Michigan Assn. of Insurance Agents, presided.

Subjects considered included workmen's compensation, further liberalization, which has been asked by Gov. Williams; the traffic accident situation, including the financial responsibility act and ways in which the Michigan law differs from that of other states; possible safety measures, including compulsory inspection of motor vehicles, on which there has been some divergence of opinion; compulsory insurance in all of its aspects and implications; disability benefit coverage, also advocated by the governor, and criticism of the industry, including the fact that many veterans and G. I.'s under the age of 25 are unable to obtain automobile coverage.

There appeared to be agreement on one subject, that the 1951 act providing for cancellation of casualty policies by registered mail should be rescinded because of the difficulties it has caused. It was advocated that, as a substitute, the uniform cancellation procedure advocated by N.A.I.C. probably should be adopted.

Some companies, after experience with the new law, had expressed preference for continuing their old practice of using ordinary mail with a two-cent return card and taking their chances on a dispute, if necessary carrying the risk to expiration and paying contested claims rather than using the cumbersome and costly method imposed by the new statute. It is believed likely that the department, which has been lenient in enforcing strict provisions of the new law, will lend its weight to efforts for repeal.

Commissioner Navarre was a guest at the luncheon, explaining steps taken toward reorganization of the department, but no department representatives were present throughout the remainder of the discussions.

President Kraft suggested that a steering committee be formed, including one man from each of the groups or segments of the industry, with a view to continuing the studies launched at the meeting.

Sinton Loss \$100,000

CINCINNATI — In addition to causing the death of two young servicemen, who were guests, fire and smoke damage to Hotel Sinton here is estimated at \$100,000, building, contents and U. & O. The fire, which is believed to have started from a cigaret in the linen closet on a lower floor, caused dense smoke to rise through the linen chute, resulting in

heavy smoke damage to 150 rooms on the eighth, ninth and 10th floors. Several hundred guests were evacuated, a number being obliged to leave by fire exits and some sliding down a television antenna. The servicemen were killed when a blanket and sheet rope they had fashioned parted as they were leaving their room, dropping seven floors to their deaths.

Retains State Fund Cover

Following a veto by Mayor Greene of city council action at Sturgeon Bay, Wis., to purchase city property insurance from local agents of private companies, the council voted to continue the state fire fund coverage. Mayor Greene said the budget did not permit the additional expenditure required for private coverage premium.

Ohio Liaison Group Named

Arthur M. O'Connell, Cincinnati, president of Ohio Assn. of Insurance Agents, has appointed a liaison committee to cooperate with Ohio Inspection Bureau. On this committee are: Willard G. Lauterbach, Columbus; Harry T. Minister, Columbus; A. Julian Lenke, Cincinnati; Arthur W. Henry, Lima; T. Kenneth Boyd, Toledo; Howard Parsons, Cleveland; Jack Darrah, Akron; W. A. Lotze, Youngstown. Several more members will be named.

Ohio Board Officers Meet

Local board officers of Ohio Assn. of Insurance Agents met at Columbus Monday to consider policies of the association. The Young Agents Conference of the association will be held at Granville April 23-24.

Grady Madison President

Madison (Wis.) Insurance Board at its annual meeting elected Robert E. Grady, president; Frank Johnson, vice-president, and V. L. Sheehan, secretary.

SOUTH

Lowe Opens Own General Agency at Little Rock

Chester C. Lowe, formerly special agent of the E. E. Raines general agency at Little Rock, Ark., has opened his own general agency there under the name of Chester Lowe & Co. The agency will represent South British of the New Zealand group and Century.

Mr. Lowe started in insurance with a local agency at Gillette, Ark., and later was with Shepherd & Co. at Little Rock. From 1943 to 1946 he was manager of the audit division of Arkansas Inspection & Rating Bureau.

Texas Fire, E. C. Premiums Reach \$106 Million for '51

DALLAS — Practically complete figures compiled by Texas Insurance Checking Office show that written fire and E. C. premiums in Texas in 1951 increased 11.6% to total more than \$106 million, Norris W. Parker, manager of the checking office and of Texas Insurance Advisory Assn., told a luncheon meeting of Dallas Assn. of Insurance Agents.

Mr. Parker said that fire premiums amounted to \$63 million, up \$6 million. E. C. totaled \$43 million, an increase of \$5 million.

An interesting sidelight, Mr. Parker stated, was that only \$572,000 in E. C. premiums were written for full coverage

in the inland territory following the action of the Texas department last spring in prescribing rates for optional full coverage as well as the \$100 mandatory deductible form, which is still mandatory in the sea coast area.

Last year the checking office handled about 3 million items, a net increase of 2%, Mr. Parker said. Of these, 1,600 were daily reports, one million were endorsements and 400,000 were cancellations. About 72% of the items involved dwellings, 25% commercial properties and 3% special coverages.

Mr. Parker said good progress is being made in the revision of the general basis schedule under the supervision of Fire Commissioner Brown. The revision calls for putting rules in one section and rates in another.

Ky. Agency Plan Dropped

Members of a proposed agency at Lexington, Ky., that was to be known as Thoroughbred Insurance agency have now withdrawn an application for agent's license. The withdrawal was voluntarily made following a hearing that was conducted to write controlled business. In Kentucky the commissioner may refuse to issue a license if he has reason to believe that more than 50% of the business produced under the license would consist of controlled lines.

Defer Tex. Cotton Hearing

AUSTIN — The Texas department has deferred until Feb. 27 the public hearing on rates and rules affecting cotton risks, originally set for Jan. 30.

Formal briefs and written statements dealing with proposed changes should be filed with the board by Feb. 26. Site of the hearing also has been changed from the Commodore Perry hotel to the highway department's auditorium.

New Agency at Raleigh

The William & Haywood agency has been formed at Raleigh, N. C., by Peter Williams and Henry Haywood. Mr. Haywood has been for 13 years special agent of Northwestern Mutual Fire. He was on the executive committee of North Carolina Fire Insurance Rating Bureau for five years and is immediate past president of Southern 1752 Club.

Two N. C. Exchanges Elect

W. S. Farthing has been reelected president of Durham (N. C.) Fire Insurance Exchange. W. W. Noblin is vice-president; Burwell Allen, secretary.

R. H. Witherington has been elected president of the Winston-Salem Exchange, succeeding Paul G. Minish. T. L. Ogburn is vice-president; Charles Miller, secretary.

Okla. Meeting Dates Set

The annual convention of Oklahoma Assn. of Insurance Agents has been slated for May 16-17 at the Tulsa hotel, Tulsa. Norman S. Casey is general chairman with Foster Boggs as co-chairman.

Plan N. C. 1952 Rally

The annual meeting of North Carolina Assn. of Insurance Agents has been scheduled for May 1-3 at the Carolina hotel, Pinehurst.

Ark. Meeting Scheduled

Arkansas Assn. of Insurance Agents' annual meeting will be at the Arlington hotel, Hot Springs National Park, May 22-24.

Capt. Ray T. Lehman, who sold his agency at Muskogee, Okla., is to be discharged from military service Feb. 23 and plans to reenter insurance as soon as he can locate an agency to purchase.

EAST

Pittsburgh Insurance Day Committee Chiefs Named

The full membership of Insurance Club of Pittsburgh is engaged in preparations for the 26th annual Pittsburgh Insurance Day to be held March 11 at Hotel William Penn. It will feature business forums, a luncheon and the annual dinner.

General chairman is J. J. O'Donnell, Lon C. Jeffrey Co. Jet Parker, American-Associated, is club president. The vice-president, Horace T. Cator, Fidelity & Deposit, and secretary, Mervin H. Hankey, American Casualty, will serve as associate chairmen.

Committee chairmen are: Arrangements, J. E. Hartmann, National Union Indemnity; dinner, David H. Blayney, Clarence V. Watkins & Co.; entertainment, Edward A. Logue, State of Pennsylvania; finance, Wallace M. Reid, Wallace M. Reid & Co.; guests, C. H. Alexander, McCandless, Collingwood & Alexander; hotel arrangements, A. M. Eckert, Commercial Union group; luncheon, R. H. Ladley, W. L. Ladley Sons; program, C. H. Bokman, New Amsterdam Casualty; publicity, Edward D. Sweet, Fred G. Schaefer agency; reception, Charles H. Kahrs, past president of Insurance Club; registration, John M. Toner, Pacific Fire; ticket, Walter H. Bendick, American.

Combine Newark Agencies

The Jay & Schlesinger agency has been formed at Newark as the continuing body of the Schlesinger-Heller agency and the Jay & Jay agency, whose operations were consolidated last May. The Jay & Jay partnership has been dissolved and Schlesinger-Heller corporation liquidated.

The original Schlesinger-Heller agency was established by the late Louis Schlesinger 62 years ago and the Jay & Jay firm by the late Leopold Jay 40 years ago.

The new firm will be a partnership conducted by Gustave Jay, Joel Schlesinger, Richard J. Croker, Julius Epstein, Theodore C. Jay, Albert L. Felsenfeld, Frank A. Schlesinger, Herbert W. Greene and Abner Benisch.

Morgan to Central Mutual

Harold R. Morgan, Jr., has been appointed special agent in Connecticut, Rhode Island and southern Massachusetts for Central Mutual of Van Wert. He will have headquarters at Boston. An army veteran, Mr. Morgan started in insurance at the home office of Employers group and for the past year has been with O'Brien, Russell & Co. of Boston.

N. J. Mutual Program

New Jersey Assn. of Mutual Insurance Agents, New Jersey 1752 Club, and New Jersey State Assn. of Mutual Fire Insurance Companies are joining in plans to commemorate the observance of the 200th anniversary of the founding of mutual insurance. There will be a statewide dinner of all mutual insurance people at Trenton March 25. Paul M. Van Wegen of Pennington, N. J., who is executive secretary of the company organization, is chairman of the dinner committee.

Morris Joins Magoon

Carlton P. Morris has become vice-president of Magoon & Co., Buffalo. He has been in the insurance business more than 20 years and for the past two years has operated his own agency at Buffalo.

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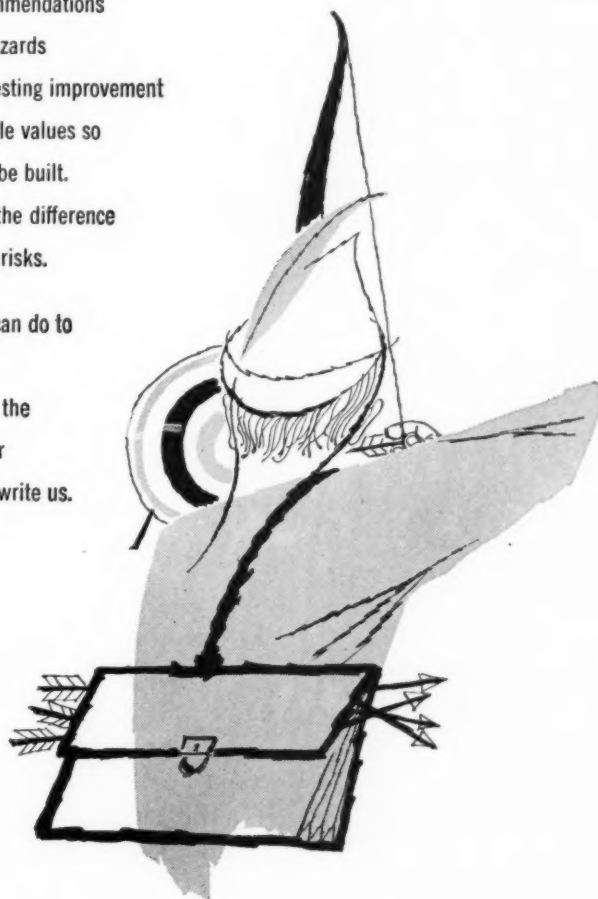
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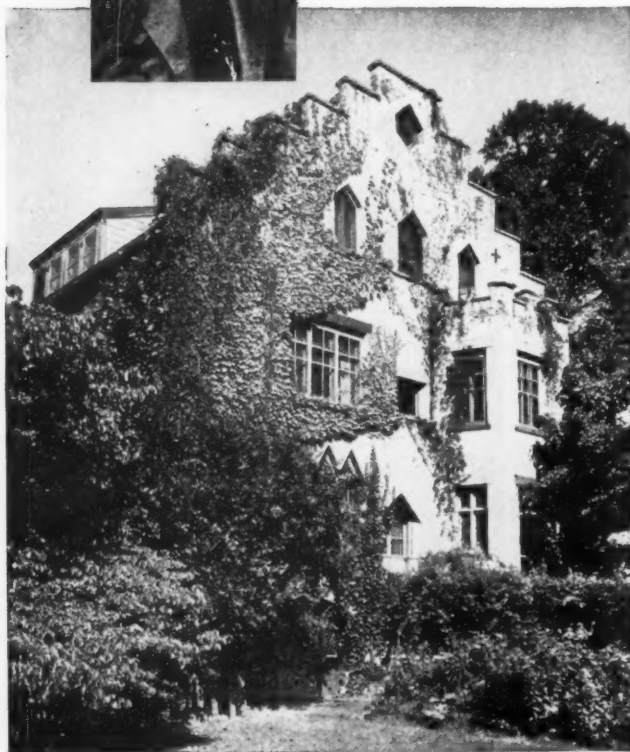
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"Go West" Greeley

the old wood chopper

of Chappaqua



Nast cartoon of Washington and Greeley was captioned, "History repeats itself. Both fond of chopping trees, and neither of them could tell a lie."



The Home, through its agents and brokers, is America's leading insurance protector of American homes and the homes of American industry.

TO BE GREETED as "Uncle Horace" always pleased Greeley and indicated the public's affection for the editor of the powerful New York *Tribune*. His peculiar garb and cherubic, whisker-ringed face made him the caricaturist's favorite; his high voice won him the nickname Squeak; but it has been said that "no other man in his time exercised so great an influence." Although he was responsible for advancing other men's careers—notably he secured Lincoln's nomination for the presidency—the only political office he held was a brief term as Congressman.

Born in Amherst, New Hampshire in 1811, Greeley started as apprentice printer when only fourteen and at twenty came to New York with his possessions tied in a handkerchief. His tattered clothes cost him many jobs but men who hired him found him an able printer and he soon had his own shop. In 1841 he founded the *Tribune* which under his editorship set a lofty standard.

As a supporter of causes Greeley molded opinion and his reiterated advice to "go west" was often heeded yet in his own home he declared he had no voice "unless I fight for it and not even then." The house in Chappaqua, New York, where he lived for twenty years was selected to please his wife, a complaining invalid devoted to spiritualism and health cures, but it failed to interest her. To Greeley, however, his property was a joy for here he could indulge his fondness for farming and for chopping wood. "The ax," he used to say, "is my doctor and my delight."

In 1872 when Greeley ran against Grant for the presidency, he made a short speaking tour and was so violently attacked as a "beggar for office" that he said, "I hardly know whether I am running for the presidency or the penitentiary." He was defeated and died a few weeks afterwards.

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